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AMERICAN NEWS

Mining U.S. coal miners begin fight back to work

NEW YORK, August 24

Whose two-month un-... has crippled the world's coalfields... drift back to work... a commitment out... leadership to call when the trustees of the miners' health and pension funds announced that there was insufficient money to maintain the system of free medical benefits for miners and their families... The strikers claimed that the health funds could be topped up from separate pension funds but the coal operators, who pay into the funds on the basis of man hours worked and tons of coal produced, have disputed that... According to some reports, mine leaders, who say there will be a national strike if the issue is not settled, are taking their stand on a clause in the present national contract which allows either the trustees or the federal or state agency to prevent the implementation of a part of the agreement. By applying federal laws the trustees, some are arguing, can be viewed as a federal agency... Meanwhile the extent of the return to work remains unclear... A spokesman for the coal operators confirmed that there had been a drift back at as been the subject of many mines, but added that it is estimated that not more than 100 per cent, and ending of the dispute there are still pickets out.

Dockers' pay talks deadlock

NEW YORK, August 24

Negotiations aimed at a new dockworkers contract for the east coast of the U.S. remained deadlocked yesterday... Employers at various ports have been unable to iron out their differences on bargaining questions, so a tentatively scheduled meeting today between them and the union has been postponed indefinitely... Contracts covering longshoremen from Maine to Texas ran out at midnight on October 1.

Quebec language Bill

The French-language charter, or the Parti Quebecois Government's Bill 101, is expected to become law by the week-end, writes Robert Gibbons in Montreal... The Government adopted closure proceedings to head off further debate on the controversial Bill, and it will continue to contain restrictions on English-language schooling... Premier Rene Levesque has told the National Assembly that the Government will not relax school restrictions in the Bill unless other provinces make bilateral agreements giving increased access to French schooling for their own Francophone minorities... But the nationalists are not happy. Partisan lobbies such as the American Legion have taken their cue from those southern hard-liners, Senators Strom Thurmond and Jesse Helms, and

Alan Riding examines the obstacles to the ratification of the Panama Canal treaty

Poor prospects for a balanced accord

THE 13 YEARS that it took the United States and Panama to reach agreement on a new canal treaty are beginning to look insignificant compared to the problems of having the treaty ratified... Conservative opposition to "giving away" the canal has gathered momentum in the U.S. Senate with unexpected speed, while nationalists in Panama are less than happy with the concessions their Government has had to make... The irony is that, once Washington had accepted the principle of a new fixed-duration treaty, its wily and tough negotiators—Ambassadors Ellis and Sol Linowitz—won out on most other points... The Pentagon was satisfied with its "perpetual" right to defend the canal after the year 2000— even though most military experts agree that even today the canal is not defensible against missiles or sabotage... The success that the former Governor of California, Ronald Reagan, had in stirring up opposition to the treaty negotiations during last year's primary campaign is further warning of the depth of U.S. feeling over the issue... "We bought it, we built it, it's ours, we ought to keep it," was Mr. Reagan's slogan—and few in his audiences did not cheer... Conservatives claim that 85 per cent of the American people oppose the new treaty; President Carter must win over two-thirds of the Senate—67 votes—for ratification... There are many conjectures on the present breakdown—17 in favour, 17 against and 66 on the fence is the latest—but all point to a rough time ahead for the Administration... The Senate majority leader, Senator Robert Byrd, has even suggested postponing a debate on the issue until next year... Mr. Carter, however, feels the treaty will win support once it is known in all its details... And, in any event, he wants to keep it away from the rhetoric of next year's Congressional elections... But he is sensitive to criticism and has studiously ignored appeals that more than a dozen exiled nationalists—of Left and Right—be allowed to return negotiations began anew.

Rejection of the treaty by Washington would also force General Torrijos into some reprisal—if only to enable him to survive politically.

Porter backs affirmative action in civil rights case

WASHINGTON, August 24

MUCH deliberation, the administration has superior to non-whites who were support special "affirmative action" programmes in coming court case... They need to advance the Board of Education 1954 which outlawed segregation on racial grounds... now is what is known as discrimination—that is, the appearance of being unfair to males... Mr. Allan White man, who claims unfairly denied admission to a medical school in... plan reserving 15 100 places open at the year to applicants in minorities... Mr. Solicitor-General...

C Democrats divided

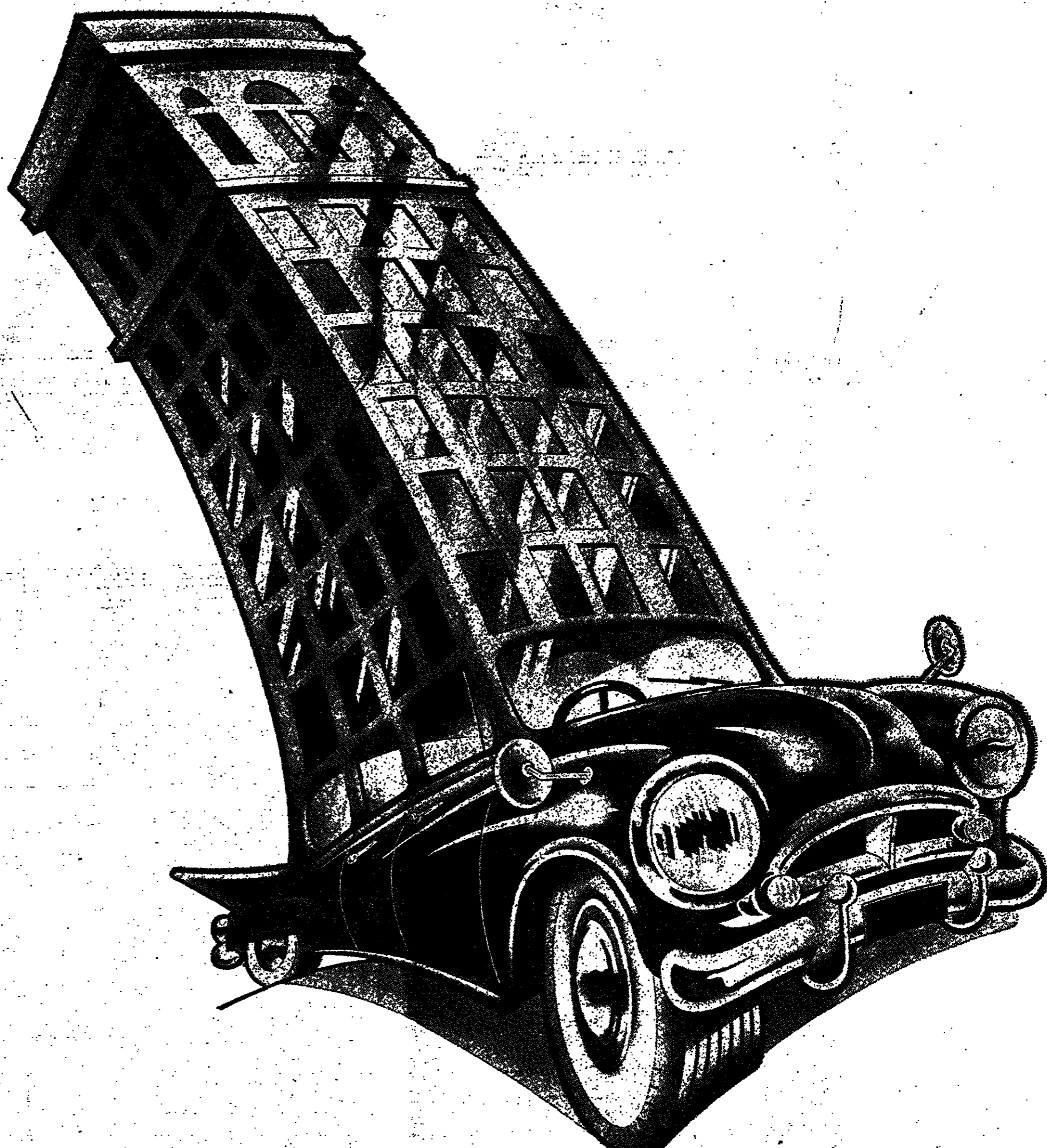
NEW YORK, August 24

LEAD Democrats are divided in their support... Mr. Cuomo, New York's Secretary of State, who has been endorsed by the influential New York Times, and Representative Edward Koch who was today given the backing of the mass circulation Daily News... Some two-thirds of the Democrats polled said they would definitely vote, and among these the figures were 18 per cent for Mrs. Abzug, 19 per cent for Mayor Beame, 15 per cent for Mr. Cuomo and 12 per cent for Mr. Koch... Although there are now 1.9m registered Democrats in New York (compared to 2.4m at the time of the last mayoral primary in 1973) turnover may not be much higher than the 25 per cent achieved at the 1973 primary... However, the Mayor is currently bracing himself for the publication, probably at the end of this week, of a Securities and Exchange Commission report which is thought to be strongly critical of the Beame administration's handling of New York's financial crisis... The Mayor has already tried to pre-empt this by issuing his own long and detailed version of events.

price rise of 6% likely

NEW YORK, August 24

LEAD States car in-... likely to be charged 6 per cent more for models following an anty by General Motors... its prices are to go up by 5.7 per cent... market share of 50 per cent... GM's price rise last year amounted to 3 per cent... attention is now focusing on pricing strategy which has as yet been only partially revealed... the company's fleet will be undergoing a more radical change for 1978 than for many years previously... With imported vehicles providing strong competition at the compact and small car end of the market, GM is cutting prices on some models and limiting in a few weeks time creases on others to 1 or 2 per cent.



Before you invest in a building, you like to know what it costs to run.

When you plan a new building, you plan an economic proposition... One of the pioneers of Energy Management is the Electricity Supply Industry... service of a unique computer program called BEEP... This can provide your planners with a detailed analysis of a building's energy requirements, consumption, and running costs... PLANELECTRIC The Electricity Council, England and Wales.

EUROPEAN NEWS

Suarez move to outlaw wire-tapping

SPANISH citizens will soon have a right denied to them for decades—the right to privacy. Prime Minister Adolfo Suarez's Cabinet is preparing a draft Bill protecting citizens from wire-tapping.

Gloomy IFO outlook on West German workless

AMID CONTINUING speculation over the West German Government's forthcoming package of measures to stimulate economic growth during the coming winter, one of the country's leading economic research institutes warned today of the extreme difficulties facing almost any policy aimed at reducing long-term unemployment.

Italy to introduce new export insurance scheme

TO BOOST Italy's export performance, in particular in the Middle East, the Italian authorities are to launch next month a new export insurance system.

French disarmament aim

FRANCE WILL shortly submit a series of "clear and precise" proposals on international disarmament covering both nuclear and conventional weapons, it was announced at the weekly meeting of the Cabinet today.

WORLD TRADE NEWS

Swiss government worried

THE SWISS Government in a report to Parliament has stated that it has "certain misgivings" at the rapid growth of the funds involved in the Federal Export Guarantee (ERG) programme.

Japanese sell parts in Europe

JAPAN'S Auto "Auto Manufacturing" has announced in Tokyo today that it will send a mission member companies to Europe between October 11 and 15 to sell local car parts.

Brazil dam to cost \$1bn. more

MORE than \$1bn. has been added to official cost estimates for the Brazilian-Paraguayan Itaipu dam project on the Parana river.

U.S. leathemaker action against Japan

THE Tanners and Cap America, a U.S. trade group, has asked the Carter Administration to take retaliatory action against Japan because of its excessive tariff restrictions which limit leather sales to Japan to only \$1.6m.

Congestion hits Malaysian port

SEVERE congestion has developed at Port Klang, Malaysia's biggest port, with more than 4,000 containers lying at wharves for weeks waiting to be cleared.

Loan for Egypt

JAPAN has agreed to help finance expansion work to the Suez Canal. The Japanese loan, repays 25 years, will go towards a total sum of \$1.2bn. to complete the phase of the Suez Canal scheme, which aims at increasing the waterway's capacity.

Lahnstein caution on EEC loans

THE EUROPEAN Commission may yet win accord from member states to launch loans on its own behalf—though there remain high-level West German reservations to the plan.

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Herr Lahnstein

CONTRACTS AND TENDERS

PEOPLES REPUBLIC OF BENIN
Project for the expansion of the port of Cotonou
INVITATION TO TENDER
The Port of Cotonou is planning civil works to expand the port to the west of the existing port. This project is divided into six lots:

LEMBAGA LETRIK NEGARA TANAH MELAYU
National Electricity Board of the States of Malaya
Trengganu Hydroelectric Project DIVERSION TUNNELS CONTRACT
Prequalification of Tenderers
The National Electricity Board invites applications from suitably qualified and experienced contractors wishing to be prequalified as Tenderers for the Diversion Tunnels Contract for the Trengganu Hydroelectric Project on the Trengganu River in Trengganu, Malaysia.

Importer holds down price of Japanese tools
By David Freud, Industrial Staff
THE biggest importer of hand tools into the U.K., B. Draper, is holding down the price of Japanese tools.

Currency moves worry Swiss machine exporters
By JOHN WICKS
ZURICH, August 24.
THE SWISS machine building industry is concerned at the effect of a new strengthening of the currency on exports.

Falling textile orders
By OUR ZURICH CORRESPONDENT
ZURICH, August 24.
THE FLOW of new orders for Swiss textile products is well below 1976 levels and a relatively bleak period is expected for the coming months, according to the Swiss Textile Trades Association.

Trade agreement
Zambia and Egypt have a trade agreement under which Egypt will export crude petroleum products, cotton yarn, fertilizer, made garments, fabrics and products.

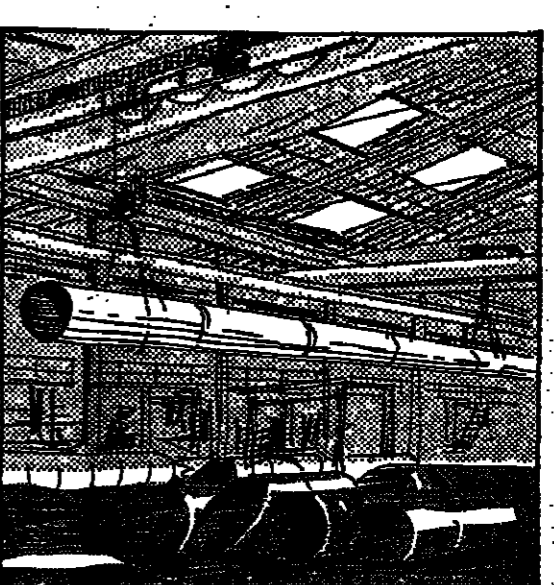
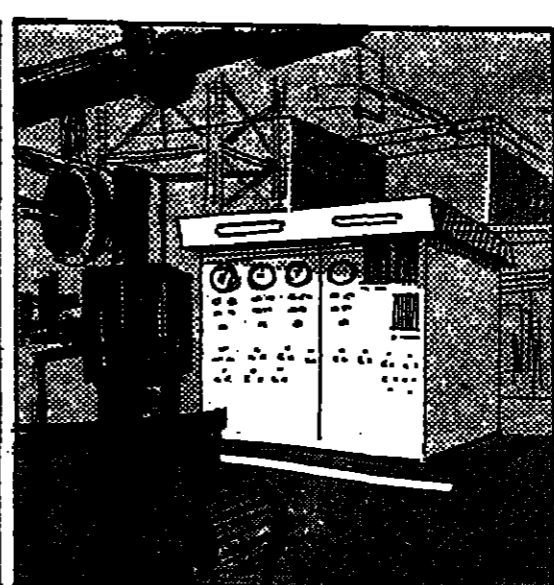
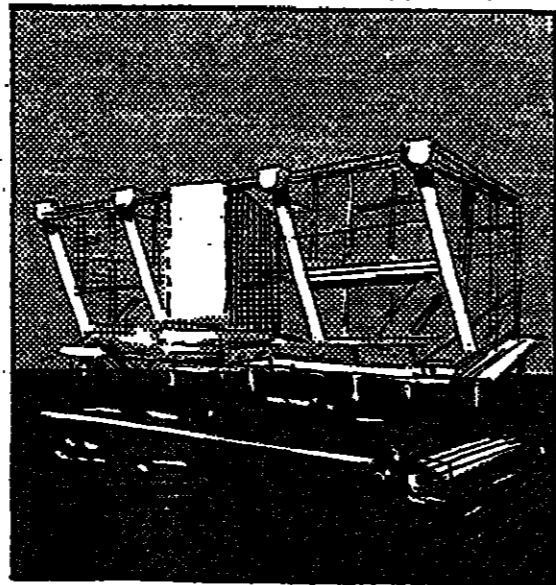
Generator order
An order worth more than \$100m has been placed by Blackstone (Stockport) Hawker Siddeley company for the supply of two generating sets to the French colony of Senegal.

Yen loan for India
Japan has given India a \$500m loan to buy machinery and equipment for an oil development near Bhubaneswar.

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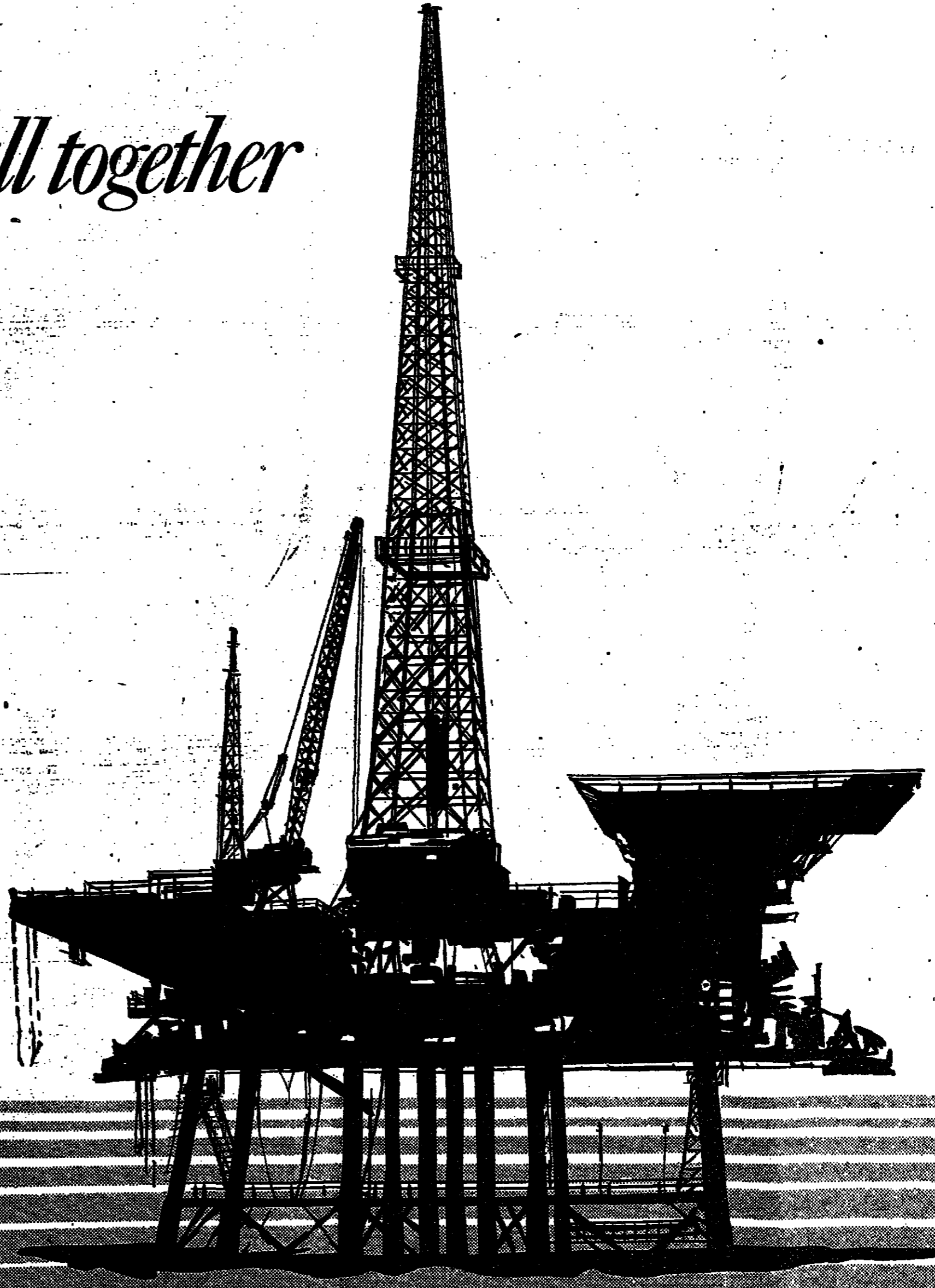


IV...

OST 11bn...

Malays...

We've put it all together



YOU'VE SEEN THE REST NOW MEET THE BEST

V

THE WELDIT GROUP

G

Weldit Engineering (Humberside) Limited
Grange Lane North, Scunthorpe, South Humberside, England.
Telephone: STD 0724 63261-5 Telex: 527076

Weldit Engineering (Fabricators) Limited
Grange Lane North, Scunthorpe, South Humberside, England.
Telephone: STD 0724 63261-5 Telex: 527076

Bronte - CMR Electronics
Northampton Road, Scunthorpe, South Humberside, England.
Telephone: STD 0724 63151 Telex: 527076

HOME NEWS

Drought hit beech trees hardest

THE DROUGHT last summer caused "irreparable damage" to landscapes, says the Timber Growers' Organisation...

Second crop

In the North an abnormal number of recently planted trees died, but mature trees escaped far better than in the South...

Nuclear power decision delayed

THE CENTRAL Electricity Generating Board will not be ready to state which type of nuclear reactor it next wants to build before the autumn...

Windscale plant 'unsound on economic grounds'

BY IAN BREACH

THE PROPOSAL to build a thermal oxide reprocessing plant at Windscale had not been substantiated on economic grounds...

Mr. Kidwell said: "We have had a suspicion that when all the balances struck a figure which might run into hundreds of millions of pounds' loss was going to be literally reduced to sludge at the expense of the British taxpayer."

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reprocessing plant, there seemed a great disparity between skills available and those required. Imported waste...

On nuclear proliferation, Britain was committed to preventing proliferation of plutonium which might be used in nuclear weapons...

Mr. Kidwell said: "We have had a suspicion that when all the balances struck a figure which might run into hundreds of millions of pounds' loss was going to be literally reduced to sludge at the expense of the British taxpayer."

Manual workers are closer to white-collar lifestyle

BY DAVID FREUD, INDUSTRIAL STAFF

THE ECONOMIC LIFESTYLES of white-collar workers and skilled manual workers continued to converge in the early 1970s...

The latest General Household Survey for 1974 published today shows skilled blue-collar workers enjoying more of the good things that have generally been associated with the middle classes...

The survey dates from the time when the economic welfare of the higher socio-economic groups was beginning to come under pressure as inflation took hold...

U.K. rain acidity 'close to Norway's'

BY DAVID FISHLICK, SCIENCE EDITOR

RAIN FALLING on Britain is only slightly less acid than that falling on south-west Norway, say scientists with the Central Electricity Generating Board...

Their analysis of this data discloses a high correlation between several important contaminants in rain over the two countries...

less job satisfaction phase than other workers. The trend between 1972 and 1974 for skilled manual and non-professional workers was to move out of rented accommodation...

The same trend was evident among intermediate non-manuals, whose total home ownership rose 2 per cent to 68 per cent. However, there was an actual decline in home ownership among professional workers...

The white-collar groups seemed to be under more pressure to cover their outgoings. A total of 5 per cent of non-manual workers, including employers and managers, wishing to move house gave economy as the main reason...

Riot shield demand 'very small and unlikely to last'

BY JOHN LLOYD, INDUSTRIAL STAFF

CONSTABULARY DUTY in riot areas is to be carried out increasingly from behind a sheet of transparent polycarbonate. Polycarbonate is the material used to make riot shields...

PDI has now developed a large shield similar to the type used by the Met. The company has two models on the market - the "protector" at about £240 and the larger version at about £300...

LEGAL NOTICES

In the High Court of Justice Chancery Division Companies Court, in the Matter of: R. D. BIRGE LIMITED...

COMPANY NOTICES

McCarthy Group Limited, incorporated in the Republic of South Africa. NOTICE TO SHAREHOLDERS...

PUBLIC NOTICES

BRITISH STEEL CORPORATION, U.S. \$50,000,000 8 1/2 PER CENT. HENRY DENNY & SONS LIMITED...

Volcano probe

In another paper published today the volcano Mount Etna in Sicily is charged with being a major source of sulphur emissions several times greater than the biggest UK power station...

British article number for groceries announced

THE LONG-DISCUSSED idea of introducing a common system of numbering to identify grocery products which could be "read" by computers at supermarket checkouts has moved a step nearer implementation...

Bonded spirit withdrawals fall

BY KENNETH GOODING

THE CONFUSED STATE of the alcoholic spirits market is reflected in the latest Customs and Excise statistics. These show that total withdrawals from bonded shipment by 21.5 per cent to 9.4m, compared with the first half of last year...

Dumped jars worth £11m.

BY KENNETH GOODING, INDUSTRIAL CORRESPONDENT

THE BOTTLES and jars dumped in Britain's dustbins are worth £11m, the Glass Manufacturers Federation claimed yesterday when launching a national glass recycling campaign...

New rules cover audit share holder

BY MICHAEL LAFFERTY, CHIEF

AN AUDITOR who holds beneficially in client or will be able to investigate the English Institute of Chartered Accountants, the Institute has announced yesterday...

Labour MP lo support of part

BY RICHARD EVANS, LOB

THE FUTURE of Mrs. Colquhoun, Labour MP for North North, looked bleak as she sought another candidate for the next General Election...

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MRS. MAUREEN COLQUHOUN, Labour MP for North North.

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Advertisement for a ship, featuring a large image of a vessel and text including 'operati', 'pensati', 'sharp', 'hant ship', '£1.014h', 'ymen b', 'Labour MP lo support of part', 'may in pipeline', 'British article number for groceries announced', 'Bonded spirit withdrawals fall', 'Dumped jars worth £11m.', 'New rules cover audit share holder', 'Labour MP lo support of part', 'Labour MP lo support of part', 'Labour MP lo support of part'.

...ers are...
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Bus operators seek £80m. compensation over EEC

ARGREAVES, TRANSPORT CORRESPONDENT

As bus and coach operators are preparing to start next January 1, but that there is a possibility of EEC compensation over EEC...
 Regulation on the agreed date of next January 1, but that there is a possibility of EEC compensation over EEC...
 This would mean that from January 1, all drivers of commercial vehicles over 3.5 tonnes gross weight would be limited to driving for eight hours in any 24-hour period...
 But anxieties are greatest in the bus industry because it is claimed, their complex schedules make them especially vulnerable to the rigidities of the new rules...
 In particular, bus operators are alarmed about the implications of changing from a fixed to a rolling week, which would destroy existing shift patterns...
 The National Bus Company.

for example, has conducted case studies which show it will need to increase staff by between 10 and 20 per cent under the new regulations...
 At the same time, the bus drivers' union is not likely to accept lower wages for the shorter week, creating a loss of productivity which will cost the company 40m. a year...
 In the coach business, the consequences could be even more grave because operators depend upon their drivers making do with the minimum number of rest days during the peak summer months and taking leave in lieu during the winter...
 Up to now, bus and coach operators have kept fairly quiet about the dangers they foresee...
 The bus industry is bitter that Mr. Rodgers, whose recent White Paper restored Government subsidies for buses to £150m. a year, has given with one hand and appears to be about to take away with the other.

Air delays test tour operators

BY ARTHUR SANDLES

TWO WEEKS of airport difficulties and the threat of even greater problems for holiday-makers has again raised the thorny issue of the relationship between tour operators and their customers.



Disconsolate would-be travellers wait at Heathrow.

At first glance it looks simple enough. Many package holiday customers feel that they are the tour operator's responsibility from the contracted departure time until scheduled arrival back at their home airport...
 The tour operators, however, insist that force majeure, in the form of flood, temperate strike or civil unrest is something they will do their best to overcome, but in the end the client must deal with it...
 Over the last few years there has been a rush of legislation and regulation concerning the travel industry—much of it to protect the customer, against financially unreliable companies and those who flagrantly mislead their clients...
 The cleaning-up process has gone a long way, although some believe it should go further...
 At present clients of companies which collapse can get their money back and, if they are abroad at the time, can be flown home after completing their holiday in the normal way...
 Less satisfactory is the treatment of holidaymakers whose plans are disrupted by organisational inefficiency or force majeure—and the line is frequently blurred...
 Recent cases of overbooking illustrate this point, for although the tour operators themselves are claiming that the hoteliers are at fault it may seem odd to outsiders that a high proportion of the incidents centre around a small number of operators...
 The Association of British Travel Agents, to which most of the operators belong, has a code of conduct which is supposed to protect passengers against last-minute changes in holiday plans, but the association rarely publishes details of offending companies or complaints ratings...
 On the surface the British air traffic control difficulties of the past weeks have been a clear case of force majeure and covered therefore by the following words: "The company will not be liable to its clients for any loss, injury or delay whether to persons or property resulting from any act or commission of its agents or of their servants or agents or from any cause outside the control of the company" Or, to quote Thomson Holidays: "Compensation payments do not apply to changes caused by reasons of war, or threat of war, riots, civil strife, natural disasters, technical problems to and then the various Exclusion clauses would become invalid.

closure of airports or similar events beyond our control...
 Some operators are even more specific, with CIT saying: "any additional expenses... must be borne by the passenger...
 The Consumers' Association is now suggesting that these exclusion clauses, although normally watertight, may not be so if delays become extreme...
 There is a provision in law, untested in the field of holidays, concerning fundamental breach. The association suggests that a long delay through whatever cause may be sufficient to cause such a fundamental breach and then the various Exclusion clauses would become invalid.

This view is not universally accepted, and even if it were there is some disagreement over what any judge's view of sufficient delay might be...
 The travel agents association has written to all its tour operator members telling them that the fundamental breach idea is fine in theory, but unlikely to work in practice...
 Although it does not spell out the recommendation, the association appears to imply that the tour operators should not be overconcerned about the possible risk of litigation...
 Normal practice in the travel industry when travellers on scheduled airlines are delayed is to give them food and overnight accommodation when necessary, provided they have checked in for their flight...
 The events of the past few weeks are likely to make the lawyers consider re-wording the booking conditions, particularly as the writing seems to be on the wall for exclusion clauses generally...
 Meanwhile, holidaymakers are left to the good intentions of the tour operators, and most are much better heeded than they are sometimes painted...
 "Honestly, there are a lot of glum faces about at the moment," said one of the walls of the travel agents' association's corridors of power...
 "They are sweating their guts out and getting nothing but stick for it...
 No doubt the tourists sleeping on benches at Gatwick will sympathise.

Merchant ships earn record £1.014bn. payment balance

ARGREAVES, SHIPPING CORRESPONDENT

Merchant shipping otherwise have had to be paid in foreign exchange to foreign owners...
 Mr. Peter Walters, president of the Council of British Shippers, described the figures as very satisfactory and heartening...
 World trade was only slowly climbing out of recession and U.K. ships have to face competition from world fleets ranging from the highly subsidised to those protected by cargo preference...
 Against such a background it is a fine achievement for U.K. ships to have earned nearly £2.5bn. from the carriage of goods in all parts of the world...
 The fall in the value of the pound obviously helped, but it is possible that the U.K. fleet has been so large, efficient and competitive.

How to help your finance manager balance his cash flow



At times like these, when in-comings can be less predictable and punctual than out-goings, an overdraft can be the ideal way to break out of the vicious circle of day-to-day cash flow problems...
 So Midland Bank is always willing to consider making overdraft facilities available to its business customers for this purpose...
 Overdrafts are a simple, quickly arranged and easily managed form of borrowing...
 They also make a lot of business sense. Because you, the customer, control the actual amount borrowed (up to an agreed limit) and you pay interest only on the amount outstanding, on a day-to-day basis...
 Security may not always be required and, although the interest rate varies with the Bank's base rate, charges are still deductible as a business expense and are not, therefore, subject to tax.

Discuss your problems with us. Overdrafts are just one of the many financial services that Midland Bank Group offers to help make business more profitable...
 Your local Midland Bank branch manager can also arrange term loan facilities, instalment finance, leasing, factoring and a number of export and international services including export finance in sterling and other currencies and the discounting of bills...
 Let us help you. There's a whole range of services, in fact, and all available in the simple way you're used to—through your local bank. Call in soon at any of the 2,600 Midland Bank branches and talk to the manager.

Field may need pipeline

ONE

ted development by the Beatrice...
 It is possible that the pipeline would have to be heated to prevent the oil solidifying...
 Meanwhile, all oil operators in the North Sea have been asked to carry out urgent checks for internal corrosion on underwater pipelines...
 This was the platform where, this year, the North Sea's first major blowout occurred...
 Mr. S. F. Piddock, the Department's pipelines inspector, accepts that there is no single method of internal pipeline inspection that can guarantee the detection of all defects...
 He has told the oil companies—the option that the Department feels that the best practicable programme of inspection is the minimum routine which that is called for under these circumstances.

Dark grim for jobs

IES REPORTER

In the and bid a number of very serious...
 Overall, 12 people were chased every vacancy...
 Although the employment prospects were grim, export performance had improved considerably...
 year Government-insured exports unemployment from northern companies rose by 68 per cent.

BRITISH STEEL CORPORATION

Annual Report

British Steel Corporation regret any confusion the statement in its latest Annual Report...
 That statement is in-...
 British Steel Corporation acquired from...
 ing business as was carried on from...
 nd Road, Sheffield, remains wholly of any connection with British Steel

Working Capital from
Midland Bank

LABOUR NEWS

London dockers' pay dispute worsens

BY NICK GARNETT, LABOUR STAFF

ALL LOADING and unloading work at two of London's enclosed docks was halted yesterday and the port's third dock is expected to follow...

UCATT drops opposition to official

THE Union of Construction Allied Trades and Technicians has formally dropped its opposition to plans by a union official, Thomas Graves...

GMWU puts 43% claim for 1m. staff

BY CHRISTIAN TYLER, LABOUR CORRESPONDENT

A BIG pay bid on behalf of 1m manual workers in local government—the largest group due for a wage rise this autumn—was made yesterday...

The GMWU decided that basic earnings for the lowest grade, now £35.20 a week, should be raised to £55, including consolidation of the £8 and £2.50 pay policy supplements...

Junior doctors 'denied rights'

MANY junior hospital doctors were still not getting various entitlements under a contract agreed more than a year ago...

EMA must face TUC Council

THE TUC general council has asked Mr. John Lyons's Engineers and Managers Association...

Representatives of Nabisco, the food company, went to explain their reason for paying rises of up to 20 per cent to 700 workers from August 1.

More days lost by strikes

ALTHOUGH BRITAIN'S strike record last month was the lowest for any month this year...

There were 4,387,000 days lost so far this year. Last year 3,284,000 days were lost. Stoppages beginning last month totalled 119...

Cammell Laird to return to-day

BY OUR SHIPPING CORRESPONDENT

PRODUCTION at British Shipbuilders' Cammell Laird yard on folding around ships is expected to begin returning to normal today...

Taxmen complain about Budget-change burden

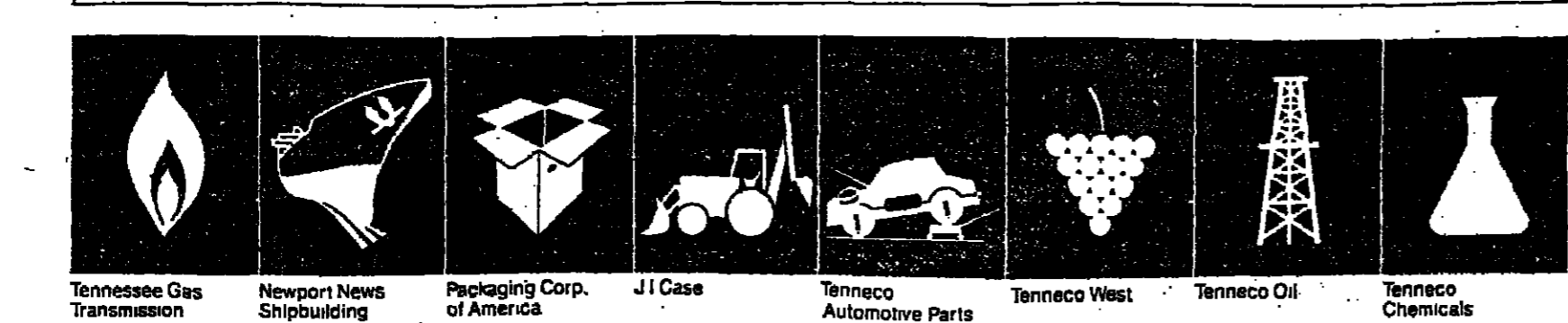
BY DAVID CHURCHILL, LABOUR STAFF

BRITAIN'S 60,000 tax officers have written to the Chancellor of the Exchequer protesting bitterly about the extra overtime they are then, apparently, being asked to work because of changes put forward in the Budget...

FIRST HALF 1977:

First half earnings set records; dividend rate increased again.

Table with 3 columns: 1st Half Summary (millions except per share amounts), Six Months Ended June 30, 1977, and Six Months Ended June 30, 1976. Rows include Operating Revenues, Net Income, Preferred and Preference Stock Dividends, Earnings per Share of Common Stock, and Fully diluted earnings.



Tenneco established record net income and operating revenues for the first half of 1977. Net income in the first six months of 1977 was \$211.7 million, up from \$195.7 million in the same period of 1976.



Glasgow direct labour crisis

THE FUTURE of Glasgow's direct-labour building department and its 900 jobs-hungry contractors in the balance yesterday...

Advertisement for Charities Aid Foundation with the headline 'WE CAN CUT YOUR COMPANY'S COSTS' and details about tax benefits.

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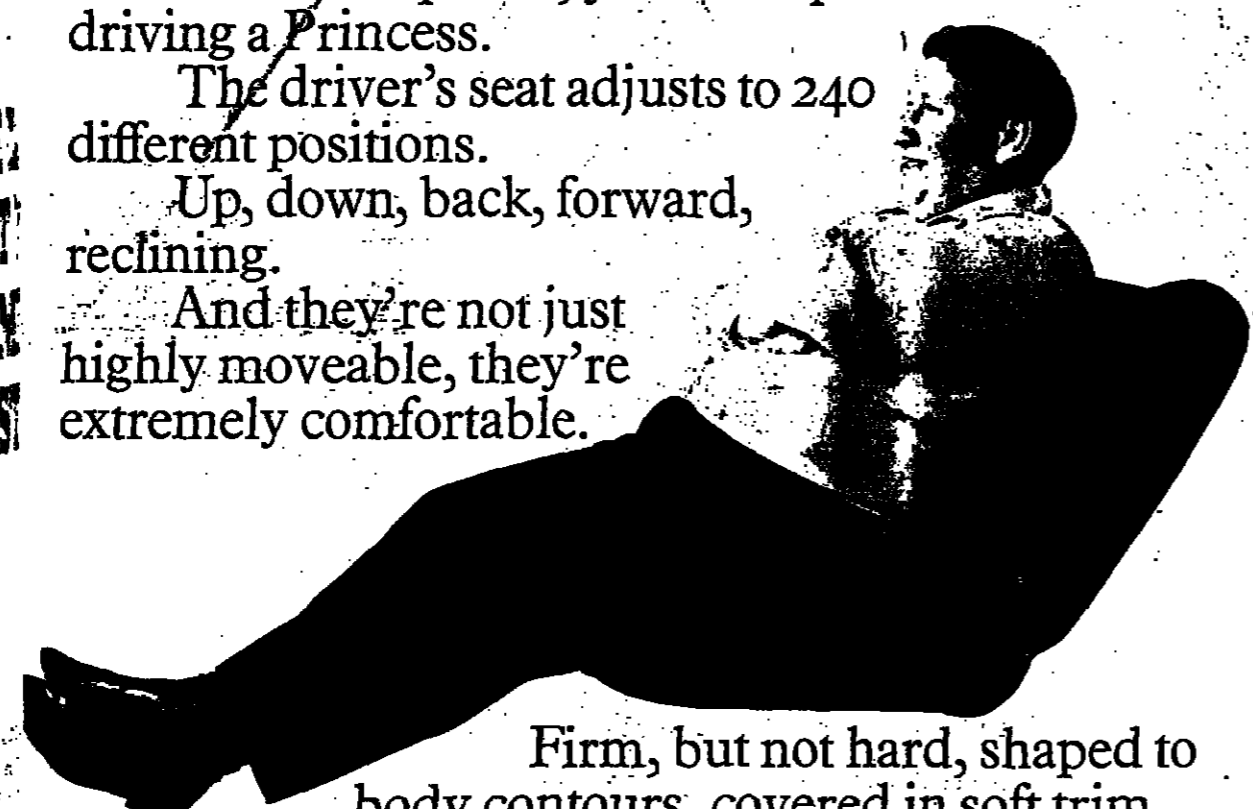
240 different people can sit quite comfortably in a Princess.

It doesn't matter if you're a 5 ft ballerina or a 20 stone shot-putter, you'll be quite comfortable driving a Princess.

The driver's seat adjusts to 240 different positions.

Up, down, back, forward, reclining.

And they're not just highly moveable, they're extremely comfortable.



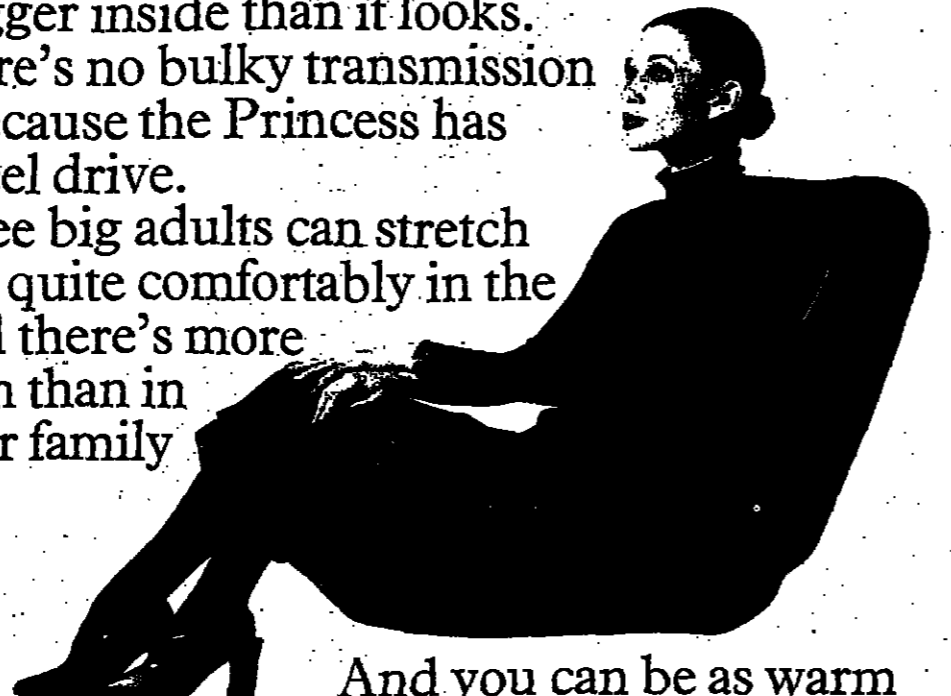
Firm, but not hard, shaped to body contours, covered in soft trim.

And even if you push the front seats right back, you won't cramp the passengers in the rear.

Like Dr. Who's police box, the Princess is much bigger inside than it looks.

There's no bulky transmission tunnel because the Princess has front wheel drive.

Three big adults can stretch their legs quite comfortably in the back, and there's more headroom than in most other family saloons.



And you can be as warm or as cool as you like. The air-blending heater system can pump out 5.5 kw of heat, or a huge flow of fresh air in summer.

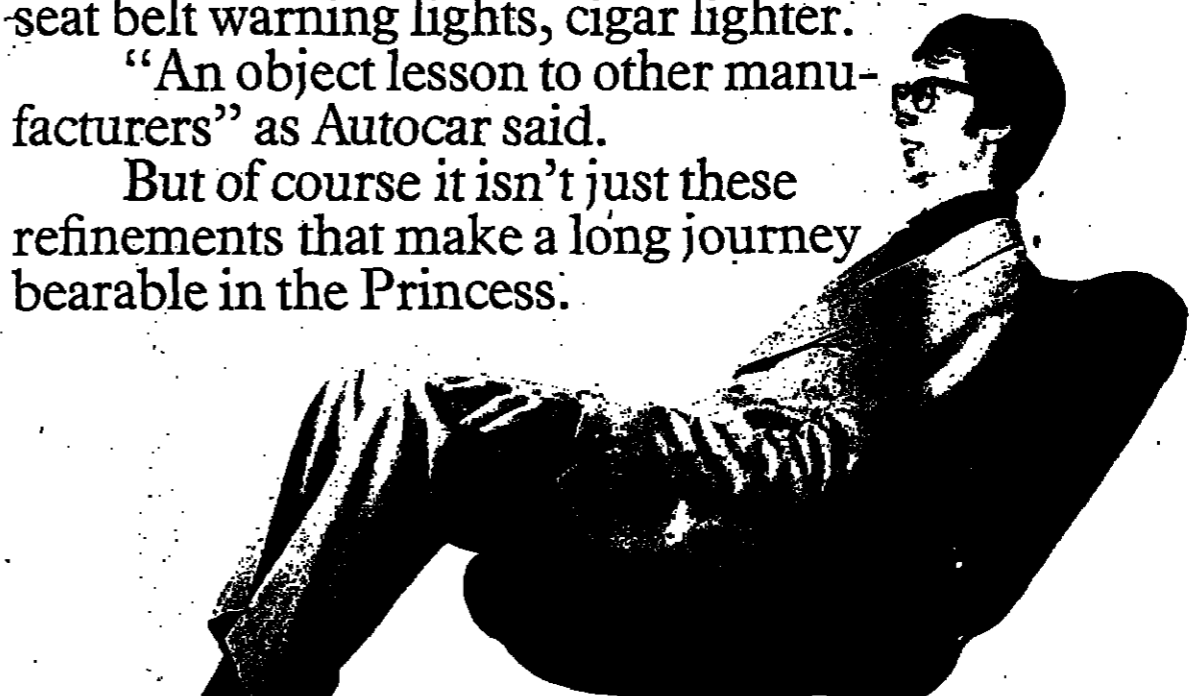
You'll find side window demisters as well as a heated rear window.

Now back to the driver, and his fingertip controls.

Everything to hand and eye. Heater, brake failure warning light, four-jet electric screen wash, two speed wipers with a huge arc, hazard and seat belt warning lights, cigar lighter.

"An object lesson to other manufacturers" as Autocar said.

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FINANCIAL TIMES SURVEY

Thursday August 25 1977

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ASEAN

ASEAN (the Association of South-East Asian Nations) follows the contemporary fashion for regional groupings of countries to further their mutual interests and security. It has progressed a long way since its foundation ten years ago, but some observers feel it has yet to emerge as a completely cohesive force in the world.

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The second summit, held in
Kuala Lumpur earlier this
month, went beyond this in an

the Philippines and Thailand) realised the wisdom of forming closer links with the two oil producers nearer home (Indonesia and Malaysia).

In the light of the recession in world trade which followed the oil crisis each of the five ASEAN countries came to see the virtue of a collective approach to "commodity power" and to maximising their commodity earnings on the world market.

The collapse of the American resistance in Vietnam underlined the fact that the ASEAN countries would have to take care of their own security. Faced with a newly Communist Indochina, flushed with victory, it seemed sensible to evolve a common strategy to prevent the expansion of Communism any further, either through insurgency or through attack.

All these thoughts coalesced in the first "summit" meeting of heads of government in Bali last year, and ever since then the Foreign Ministers, who had tended to regard ASEAN as a kind of institutional golf club where they could maintain a regular dialogue with their opposite numbers on regional and world affairs, had to give cabinets with more specific interests, such as steel mills, at stake.

The Bali Summit set the seal of approval on a modest but fairly practical programme of withdrawal from ASEAN a new collaboration. The second summit, held in Kuala Lumpur earlier this month, went beyond this in an



Delegates at the recent ASEAN-EEC conference in Brussels. They are, from left to right; Dr. M. Sadi, Indonesian Minister of Mining; Mr. W. Haferkamp, Vice-president, Commission of the European Communities; Mr. R. Jenkins, President, Commission of the European Communities; Mr. J. R. M. van den Brink, Chairman, EEC banks; Mr. S. Rajaratnam, Singapore Minister for Foreign Affairs; and Mr. V. Paterno, Philippine Secretary of Industry.

endeavour to spell out the principles for a special relationship to be created in the future between ASEAN on the one hand and the advanced industrial states of the Western Pacific (Japan, Australia and New Zealand) on the other hand. The Prime Ministers of the latter three countries were in Kuala Lumpur to give their initial (and highly cautious) response

The Association has clearly gone a very long way since its foundation ten years ago. And the highest level without reference to technical or sectoral lobbies. The politicians sometimes move ahead of the technocrats, and then have to retreat, creating confusion and eroding of the poor information flow between the elites of the region. It has not been able to become installed as its first Secretary-General. ASEAN almost invites the tag of son of SEATO. The drive towards five governments have an inter-

national reputation as being right-wing and hostile to the radical left, and inevitably there are some, inside and outside ASEAN, who regard it as an instrument for the perpetuation of right-wing regimes. All this is perhaps to overestimate the capacity of ASEAN to achieve very much in a short time. Although each government pays lip-service to economic collaboration, Singapore and the Philippines are ready

to take it at a fast trot, whereas Indonesia is insisting on a small pace. Malaysia and Thailand fall awkwardly between the two. "With Indonesia," said a minister from one of the other countries, "we have to push with double the force in order to get half the distance." squabbling about who gets what. For the past several years, UN and other international economic advisers to ASEAN have despaired of seeing their recommendations properly considered or implemented. Now the picture is a little different. Since the Bali Summit, ministers and officials from the five countries have attempted to draw up plans for the construction of new industries in each country which will serve the entire ASEAN market, and under this arrangement Malaysia and Indonesia were allotted a urea plant, the Philippines, superphosphates, Singapore, a diesel engines factory and Thailand, a soda ash facility. But now, a year later, snags have been found in almost all these projects, ranging from unforeseen delays to the discovery of competing plant already in the region. A new list of industrial projects is now being studied, including TV picture tubes, heavy duty rubber tyres, metal-working machine tools, newsprint, electrolytic tinplating and potash. There are also agreements for collaboration in food and energy, including a rice agreement and an emergency oil sharing arrangement.

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ASEAN II

Twofold foreign trade objectives

ASEAN'S FOREIGN trade objectives are twofold: to increase the intra-ASEAN exchanges between the five member countries themselves, and to maximise their collective trading advantages vis-à-vis the outside world.

It is only within the past year or two that any real effort has been made to pursue these goals, and it is not surprising therefore that there is no concrete progress on them to date, with the exception of agreement with the EEC about better access for ASEAN products in that market, and an understanding with Japan about the level of synthetic rubber production which competes with the natural rubber producers in ASEAN.

The goal of enlarging the internal trade within ASEAN, which at present accounts for only one-eighth of the five countries' total world trade of some \$45m. a year, is very much tied up with the plans for industrial co-operation and sharing of markets. But general tariff reductions are also in question.

The Philippines and Singapore, which tend to see the ultimate objective of ASEAN as a free trade zone and which are also the most industrially advanced of the five, have now come to realise that they will have to proceed much more slowly in order to accommodate the reservations of the others, particularly Indonesia and Malaysia.

Mr. Lee Kuan Yew earlier this year tried to force the pace by negotiating bilateral across-the-board tariff cuts of 10 per cent with both Thailand and the Philippines, and Singapore hopes that a similar Philippines-Thailand agreement will complete the triangle. But Thai officials have already had second thoughts about this commitment which their Prime Minister made unexpectedly on the golf course with Lee Kuan Yew without their consultation, and it is not clear how helpful or how significant this initiative will prove to be. The jargon in ASEAN now is to avoid use of the phrase "free trade," which in Indonesian terms really boils down to the legitimisation of smuggling, and to talk instead about "preferential trading arrangements"—a phrase contributed by Jakarta.

Preferences

It is in this context that 21 tariff preferences have now been negotiated, and another 50 offered voluntarily, to make a modest total of 71 items on which the five countries will reduce their tariffs to each other by roughly 10 per cent or a little more. This has to be cleared with GATT, and then promulgated by the five national authorities, so it will be 1978 before they can actually be implemented. But it is hoped that the ASEAN trade committee, meeting every quarter, will add further items and extend the depth of the cuts from time to time.

The cuts on the 71 products would affect trade amounting to about \$0.5150m. among ASEAN members, or less than 1 per cent of their mutual

trade. A start has been made, but much more will have to be done to evince a genuine desire for trade liberalisation. The Singaporean argument is that if Indonesia genuinely wishes to protect its infant industries, it could raise its tariffs to all comers but proceed to give the four ASEAN partners their 10 per cent advantage below this. The 10 per cent is seen as a minimum first step by the fast-movers. The Philippine delegation came to the economic meeting which negotiated the preferences ready to make 50 per cent cuts.

It is in ASEAN's external relations that the Government find it easier to collaborate in trade policies. The Ministerial Meeting in early July put a three-fold demand to the West: "To adopt policies which would increase the flow of investments into ASEAN countries, stabilise their export earnings and the prices of ASEAN commodities at remunerative levels, and provide improved access for ASEAN exports into the developed countries."

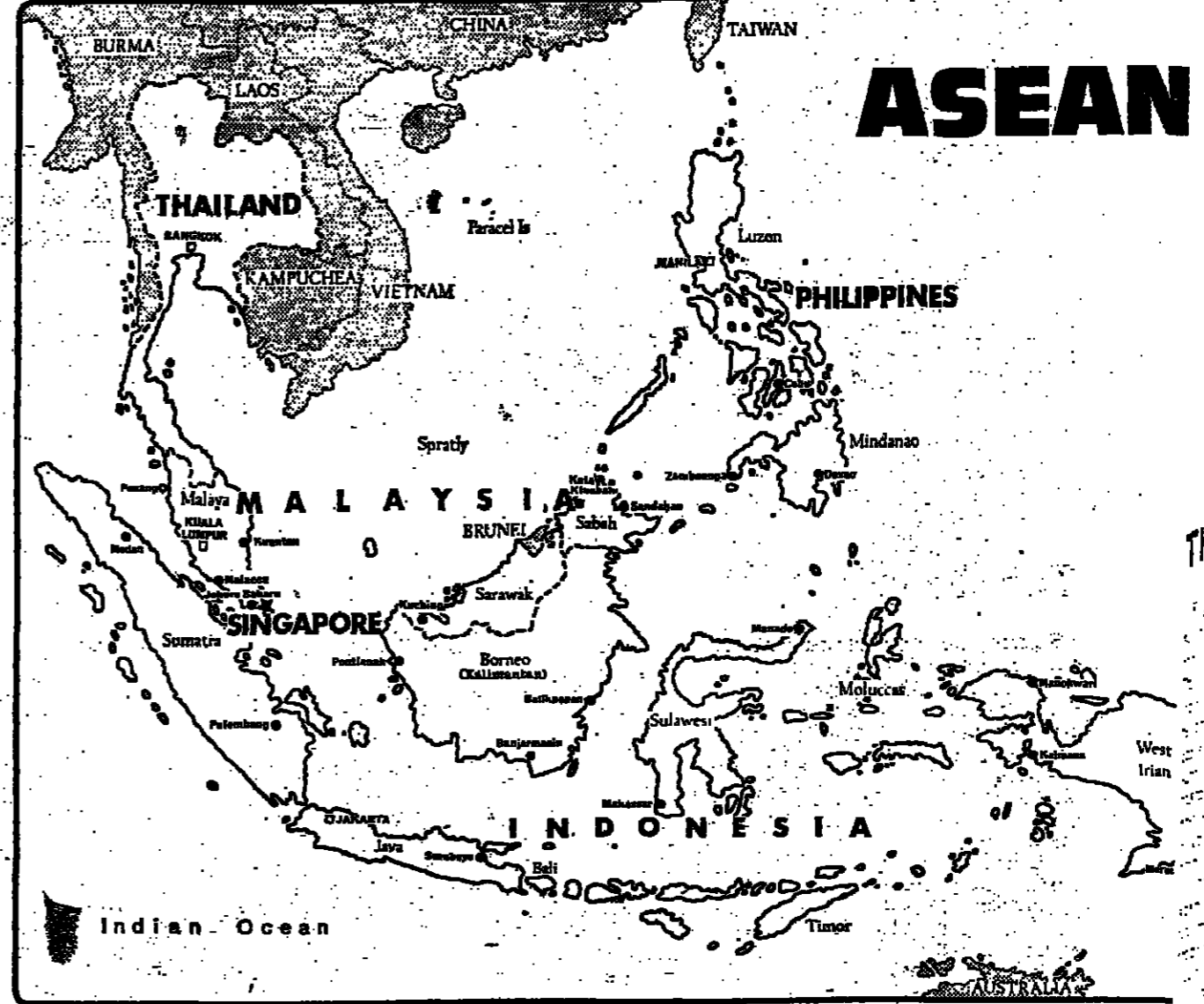
In the short-term the ASEAN Governments are now facing a series of new restrictions on their exports of manufactures, particularly textiles and electronics, industries which they have only recently founded. Reactions to the French, British and Australian restrictive measures of recent months have, so far, come from the individual governments themselves.

The Malaysian Trade Minister, Datuk Hamzah, has called on the ASEAN countries to refuse to import French machinery in view of the French restrictions on ASEAN-made blouses. In the Philippines the Government is applying administrative guidance to make it difficult for goods to come in from Australia in retaliation for the Australian restrictions on Philippine textiles.

Even in Singapore, with its history of free trade, Mr. Lam Thian, spokesman for the garment industry, has said that his association is monitoring imports of French fashion garments with a view to recommending to the Government that some of them be banned and made in Singapore instead.

In the ASEAN capitals all this is seen as a process by which the West exports its unemployment to ASEAN, where unemployment is in fact a far greater problem and where the governments cannot afford to cushion their workers from its effects in the same way as the industrialised countries.

The Singapore premier told the assembled ASEAN Economic Ministers on June 27 that "our bargaining position will be strengthened if we can co-ordinate our import policies to collectively close our consolidated markets, to those who unreasonably and unilaterally shut off our exports." But it is fair to comment that these protestations are more the staking out of bargaining counters than genuine threats likely to be implemented. What is now especially interesting is the new strategy for gaining better market access with each of the



ASEAN

major Western markets. The first evidence of this was the Brussels conference in March, organised by EBIC, a consortium of European banks, where investment prospects in the ASEAN region were discussed. A follow-up conference is being planned in the Philippines next year.

One of the objectives of ASEAN in its dialogue with Brussels is to obtain for itself some of the advantages which the African, Caribbean and Pacific developing countries presently obtain

from the EEC under the Lomé Convention. But the obvious father figure for any ASEAN-type arrangements for ASEAN is Japan, and it will be Mr. Takeo Fukuda, the Japanese Prime Minister, whose presence in Kuala Lumpur immediately following this week's ASEAN summit will arouse the most interest. To a lesser extent, the same applies to Australia and New Zealand, and this is why the conferring of the heads of government of these eight countries in Kuala Lumpur in a few days time would see the modest start of an entirely new regional framework. These figures are obviously work in the western Pacific. It is not just a question of aid, on which the record of the three outside powers is not at all bad. But, as Mr. Malik, the Indonesian Foreign Minister, has observed, "we want them to pay special attention in the framework of ASEAN countries' development."

It is Japan on whom the heaviest ASEAN trade demand has almost quadrupled in the past five years. That trade has a different significance for each side: for Japan it is roughly one-tenth of its world trade, whereas for ASEAN countries it is more like one-third.

ASEAN leaders would be quite happy if they could persuade the Japanese to "adopt" the EEC has withdrawn Africa. It is, rather than overtly discriminatory preferences, that ASEAN countries could not be given kind of concession by Japan for Japanese products in the ASEAN market, but some other way would be found to give alterations in the economic

Access

More controversial is the ASEAN request for preferential access to the Japanese market. Japan is stoutly resisting this, because it fears the reaction of its other Third World trading partners, who would be similarly treated. ASEAN's leaders are not aware of a special economic package which Japan has a significant ship with Japan as a large, two-way trade with ASEAN. But the Japanese will offer extensions with other industrialised countries of the Generalised System of Preferences, covering products of special interest to ASEAN. The U.S. is no exception in this regard. The ASEAN leaders are keen to explore this in Manila in September. The American investment ASEAN are the main agenda.

Urgency

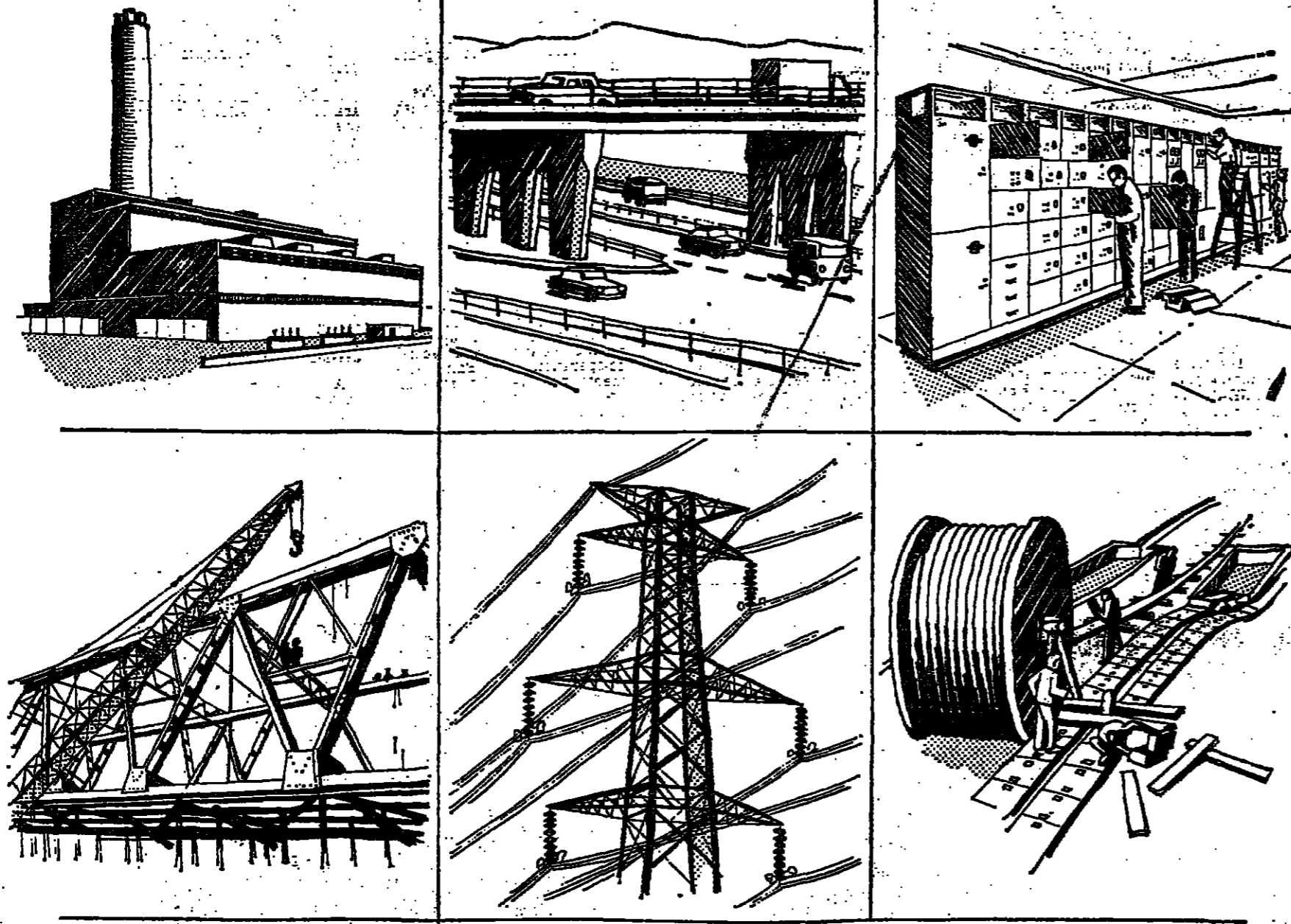
The private sector is not left better judge of the viability of and there are some who are out of all this. Businessmen are a project that those who risk that "Indonesia will be encouraged to form associations among themselves, and there is now a proliferation of meetings going on between the various manufacturing sectors in each country."

The lead for this comes from the Philippines, where the private sector is the most dynamic and motor cars have become the test case. All five of the ASEAN countries make cars, but in each case the market is a small one. Furthermore each country has to import its spare parts, suspension, brakes, gearboxes and other components from Europe, Japan or North America. It is not economic for these to be made domestically within each individual market. But if Malaysia were to make all the suspension plugs, and if the parts could be sold to the partner countries on preferential import duty, or free of duty, then some progress could be made towards a genuine regional motor car industry.

This is particularly the dream of Mr. Jose Concepcion Jr. of the Philippines, who has organised three consecutive meetings on this problem each attended by about 100 businessmen. The latest, in Kuala Lumpur in the middle of July, identified a long list of parts which could be made on a regional basis.

In view of the presence of some delegations, notably the Indonesian and Philippine, of government officials involved in business, it is worth noting that the Singapore government takes a very strong line on the importance of leaving these matters to the private sector.

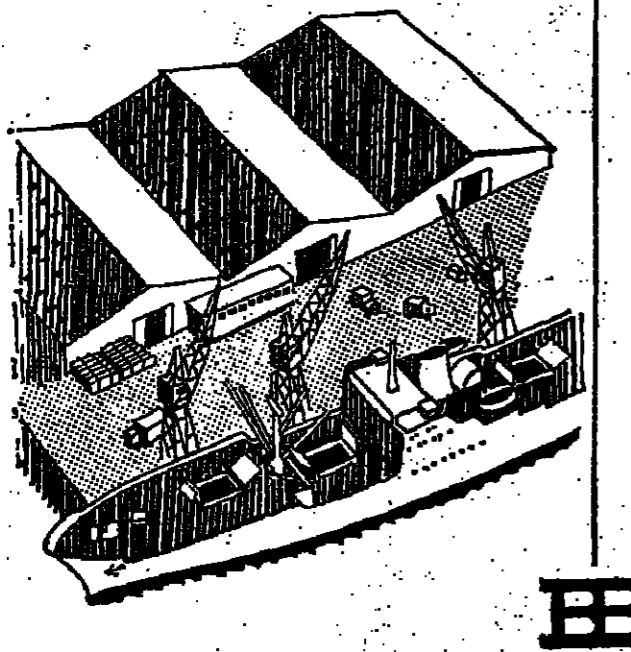
The Singapore Foreign Minister, Mr. Rajaratnam, told the Singapore International Chamber of Commerce on June 22 that the private sector in ASEAN could set up regional ventures "far more quickly and with greater success than governments." He added that "the man who risks his own money is more likely to be a



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Philippines

A Reliable Trading Partner in ASEAN

The Economy

Figures for the second quarter of 1977 indicate the continued recovery of the Philippine economy. After a long wait, the country finally reversed a deficit trend by achieving a US\$70-million surplus in its balance-of-payments account in the first six months of 1977. This is an immense improvement over the \$189-million deficit of the first quarter of 1976, when, despite tremendous external pressures, the economy expanded appreciably.

1. Real GNP reached P72,576 million in 1976, a gain of 6.3 per cent over the 1975 level of P68,291 million.

2. Prices continued to taper off, thus bringing down inflation from 8.2 per cent in 1975 to 6.9 per cent in 1976.

3. Self-sufficiency in rice was attained. As of June 1976 the government's rice-production programme has given the country a stock inventory surplus of 12 million tons. Agriculture officials are now talking happily of exporting the cereal.

4. The foreign-exchange account in 1976 posted a \$180-million deficit, a substantial improvement over the 1975 deficit of \$521 million. While the net terms of trade deteriorated due to weak export prices, higher export volumes of traditional products and the expansion of non-traditional ones averted a much bigger deficit.

Philippine exports grew by 12.1 per cent in 1976, totaling \$2,373.7 million. Imports, on the other hand, increased by 36.9 per cent to \$3,553.5 million, resulting in a trade deficit of \$1,059.8 million, a hundred million dollars less than the 1975 deficit.

The top Philippine export in 1976 was centrifugal sugar, which earned \$27 million. Through a 62.2 per cent increase in sugar production, the country managed to avert some of the ill effects of the sudden downswing in international prices, although sugar earnings still fell by 25.5 per cent. Coconut oil ranked next with \$299 million, a 29.8 per cent improvement as prices remained stable during the year. Copper recovered slightly, growing by 25.5 per cent to \$266 million. Copra, like sugar, suffered in 1976 with a 15.5 per cent reduction totalling \$150 million. A

reprieve on the exportation of logs (originally scheduled to cease in 1976) led to \$135 million earnings from raw wood.

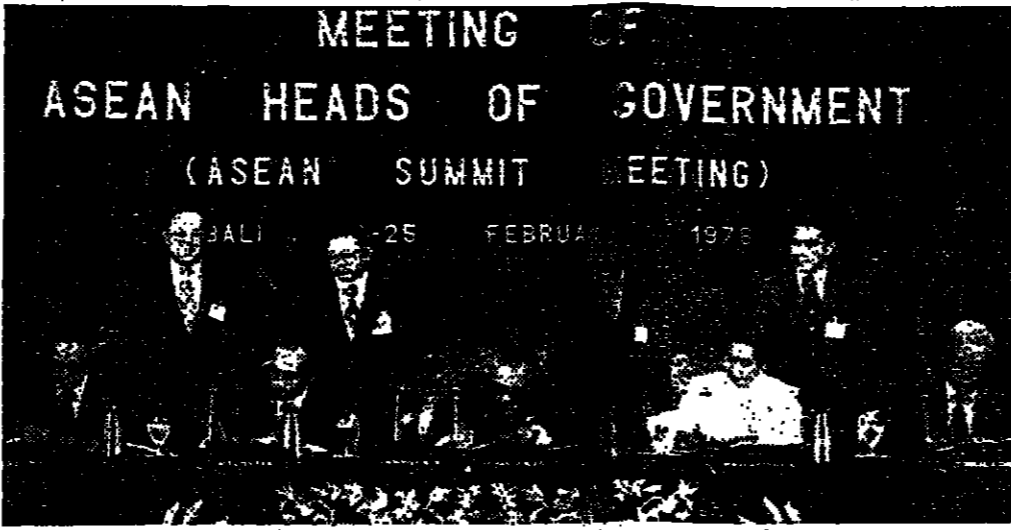
The best performances were recorded in non-traditional exports: nickel, as production reached full capacity in Nodoc Island, ranked ninth as an export, with earnings doubling to \$80 million; lumber exports jumped by 151.3 per cent to \$68 million; and plywood exports also doubled to \$43.3 million.

The Philippines' major import was crude oil, which amounted to \$590.7 million, a 15.5 per cent increase over the 1975 figure. Other leading imports were: machinery other than electric, \$625.3 million; returned goods and special transactions, \$286.7 million; base metals, \$246.3 million; and transport equipment, \$279.1 million. The biggest increase—86.0 per cent—was in the importation of electric machinery, apparatus and appliances.

The Philippines' leading trade partners in 1976 were the United States and Japan, which accounted for 27.86 per cent and 25.74, respectively, of the country's total trade. The Philippines gained a surplus of \$14,052 million from its trade with the US; it suffered its biggest trade deficit—\$354,860 million—with Japan. This shortfall was one of the reasons that prompted President Marcos to hold talks on "economic irritants" with Japan in April this year. The Philippines also ran up huge deficits with Saudi Arabia, (\$280,753 million), Kuwait, (\$219,917 million), and Indonesia, (\$98,579 million), the major sources for its crude-oil imports. The country achieved trade surpluses with the Netherlands, its fourth-ranking trade partner, \$170,824 million; the Soviet Union, (thirteenth), \$85,378 million; and Singapore, \$36,153 million.

Within ASEAN, Singapore is the number one market for Philippine products. According to the National Economic and Development Authority, from 1970 to 1974, 52 per cent of total Philippine exports to ASEAN went to Singapore, followed by Indonesia, 28.5 per cent; Malaysia, 10 per cent; and Thailand, 9.5 per cent.

For the same period, Philippine imports from the ASEAN countries was 36.6 per cent from Malaysia, 26.9 per cent from Thailand, 20.3 per cent from Indonesia and 16.2 per cent from Singapore.



President Marcos together with his ASEAN counterparts, signs the joint declaration during the meeting of the ASEAN Heads of Government held in Bali, Indonesia in February 1976



Secretary Trade Quinson Dept. of Trade Philippines

QUESTION 1.
How is the Philippines projecting itself as a reliable trading partner in Asia within the framework of ASEAN?

ANSWER:
The Philippines has always maintained active participation and support for the Preferential Trading Arrangements within ASEAN. In January this year the Philippines and Singapore signed the first bilateral agreement providing for 10 per cent across-the-board tariff reduction on all products traded between them.

On the multi-lateral negotiations under the ASEAN Preferential Trading Arrangements, the Philippines has actively taken part in the mutual exchange of trade concessions in the fourth meeting of the Committee on Trade and Tourism. The same may be said of Philippine participation in the ASEAN industrial project and industrial complementation, food and agriculture, transport and communication, finance and banking and other areas of intra-regional co-operation.

QUESTION 2.
What is your comment on the state of trade between ASEAN countries?

ANSWER:
If one is to examine the relative share going to ASEAN of each country's total trade two or three years back, one would find that the amount was quite marginal. However, gradual increases in intra-regional trade can now be foreseen. Taking the Philippines as an example, exports to ASEAN increased in value by about 70 per cent in 1975 and 30 per cent in 1976.

QUESTION 3.
How do we assess the position of the Philippines vis-a-vis the ASEAN and the Industrial World?

ANSWER:
Although the Philippines conducts bilateral talks with the EEC, Japan, Australia, New Zealand and the United States, there has emerged within ASEAN a trend to approach a third country dialogues on an ASEAN wide basis, meaning that all five ASEAN countries present a joint position.

The economic problems of ASEAN countries being more or less similar, there is a certain degree of commonality in individual positions with regards to these countries. They centre on the elimination/relaxation of tariff and non-tariff barriers to trade, improvements in the generalised system of preferences and various schemes of co-operation suited to pattern of trade between ASEAN and the trading partner concerned.

An EEC-financial ASEAN mission consisting of industrial and financial leaders met with their EEC counterparts in Brussels on April 1977 for the purpose of informing the EEC about ASEAN and its programmes of regional economic co-operation and to promote contacts between ASEAN business leaders and top businessmen of EEC countries. The EEC is conducting a study on the

complementarities between the EEC and ASEAN. The result of the study may lead to a long-term programme of economic co-operation between the two regions.

In the case of Japan, the ASEAN has presented its request, supported by all members, for preferential access of ASEAN products into the Japanese market, a scheme for stabilisation of earnings and prices from commodity exports, and the financing of the ASEAN industrial projects, the last involving total investment amount of US\$1 billion. Request for the improvement of the Japanese General Scheme of Preferences had also been submitted.

QUESTION 4.
What are the new policies/measure adopted by the Philippine Government to enhance further export growth within the region?

ANSWER:
On a regional basis, it is now logical to believe that the export growth of each ASEAN country shall depend greatly on co-operation among ASEAN members with respect to the implementation of the preferential trading arrangements. The instruments adopted in the PTA—long-term quantity contracts, purchase finance support at preferential interest rates, preference in procurement by government entities, extension of tariff preferences, liberalisation of non-tariff measures on a preferential basis and other measures are intended to promote trade among ASEAN countries. Preferences to be accorded to products of industrial projects and the approved complementation schemes are expected to promote utilisation of regional resources with the hope of reconstituting over the long-term the export structure of member countries towards more processed exports.

The Philippines in ASEAN

IN CONTRAST to the Western-oriented outlook of the first two decades of its independence, the Philippines now identifies itself with its neighbour nations in Southeast Asia, as seen by the country's active participation in ASEAN.

ASEAN was organized in August 1967—during the first Marcos administration—by Indonesia, Malaysia, Singapore, Thailand and the Philippines. Its primary goal, according to its founding charter, was to "accelerate economic growth, social progress and cultural development in the region through joint endeavours in the spirit of equality and partnership."

A visit to Manila in July 1976 by then Thai Prime Minister Kukrit Pramoj and six months later, a whirlwind visit to Kuala Lumpur and Jakarta by President Marcos resulted in plans for an ASEAN summit to be held in Bali in February 1976. Events in Southeast Asia in the past two years had convinced President Marcos that now, more than ever, there was a need for his concept of an Asian Forum, a meeting place where nations with diverse ideologies, cultures, religions and political orders could meet to talk out their differences and to work together for peace and prosperity.

And an ASEAN summit, said President Marcos, would give the nations of Southeast Asia the chance to impress upon the world that ASEAN is welded into one organic unit.

So in February 1976 President Marcos met in Bali with Indonesia's President Suharto, Malaysia's Premier Datuk Hussein Onn, Singapore's Prime Minister Lee Kuan Yew and Thailand's then Premier Kukrit Pramoj to sign a new Treaty of Amity and Co-operation and a Declaration of ASEAN Concord. The Treaty set down the manner and means for the peaceful settlement of disputes; the Declaration contained the firm pledge of members to speed up economic, political and social co-operation. The Bali documents provided for immediate co-operative action among ASEAN members in times of crises, particularly during shortages of food and energy supplies. They also set into motion programmes for complementary industrial ventures to avoid wasteful competition and for preferential trade arrangements to promote freer trade of basic commodities within the ASEAN region.

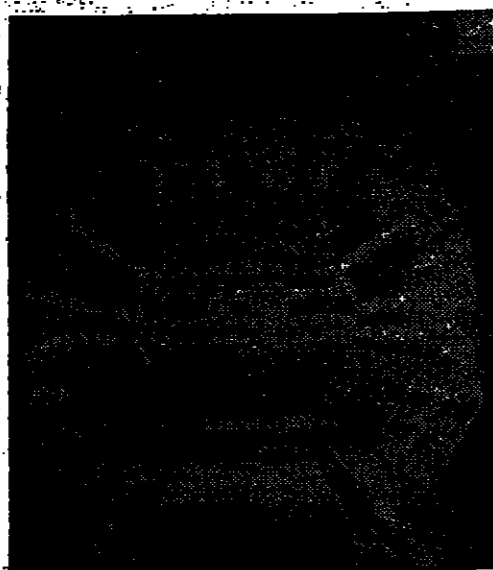
A meeting of ASEAN economic ministers in Kuala Lumpur in March 1976 identified the first joint industrial ventures to be undertaken. The economic compulsion for so doing arises from the relatively small sizes and populations, and the relatively small domestic markets of the ASEAN countries. Only through a regional effort can economies of scale be achieved. So ASEAN ministers agreed that Singapore would produce diesel engines for distribution throughout Southeast Asia, while the other four nations would work together on a complementary fertilizer industry scheme, with Indonesia and Malaysia distributing urea, Thailand soda ash and the Philippines superphosphate.

ASCOPE—or ASEAN Co-operation on Petroleum—agreed to an emergency oil-sharing plan among member-nations. In case of oil embargoes, production cutbacks or other emergencies, oil-producing nations like Indonesia and Malaysia would give export priority to the oil needs of their fellow ASEAN members. Also, in case of an oil surplus, oil-importing states like Singapore, Thailand and the Philippines are obliged to buy first within ASEAN.

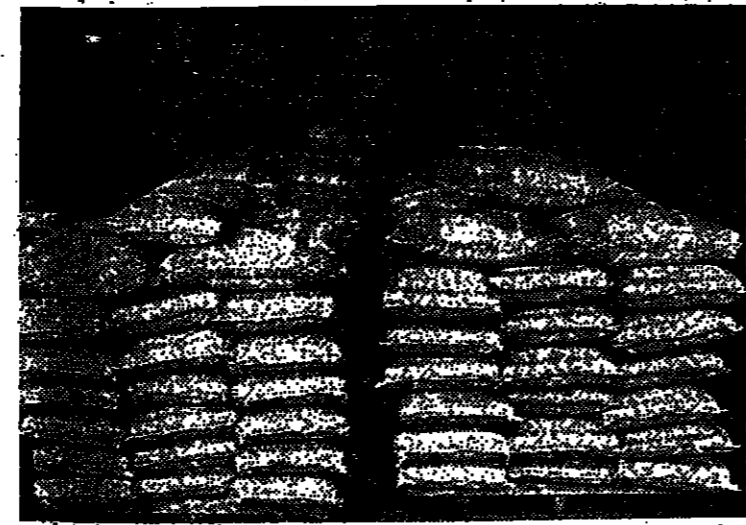
An ASEAN Bankers' Conference held in Singapore, worked at standardizing banking policies in the region. Members agreed in principle to establish a regional bank to accelerate trade transactions within ASEAN. The proposed bank would also act as a consortium to finance the establishment of both large-and-small-scale projects to be put up by ASEAN governments and private investors.

ASEAN economic ministers are making efforts to cooperate rather than compete in marketing their countries' products. A similar joint effort is being made in bidding for foreign investment. A meeting in Brussels in April 1977 between ASEAN investment ministers and European businessmen and bankers was only the beginning of a scheme aimed at harmonizing rational economic policies to minimize the mutually disadvantageous awarding of competitive concessions to foreign investors.

A preferential trade accord, approved by ASEAN foreign ministers in February 1977, will grant special tariff privileges to basic commodities, products of ASEAN industrial projects and products for the expansion of intra-ASEAN trade. This is the first step in a hoped-for ASEAN Common Market, of which the Philippines and Singapore are the strongest proponents.



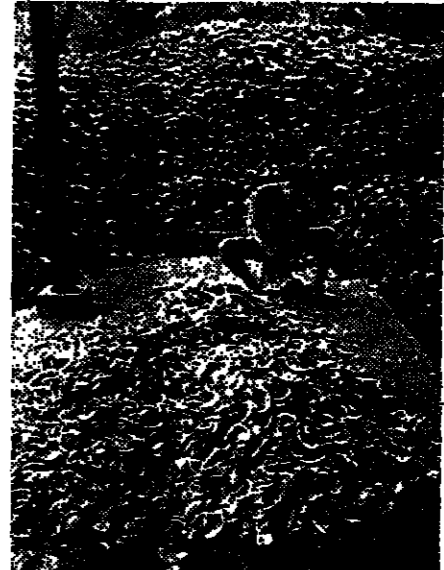
Cement Industry



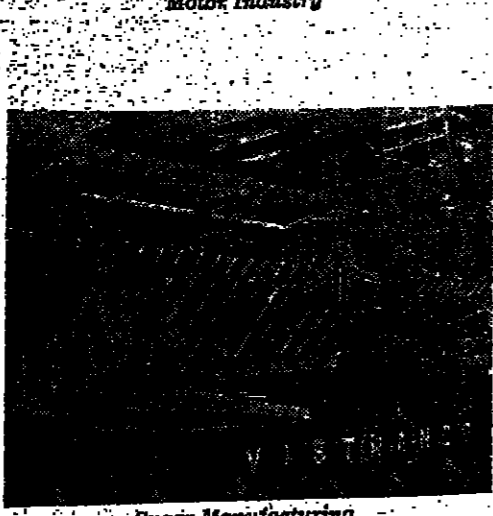
Motor Industry



Fishing Industry



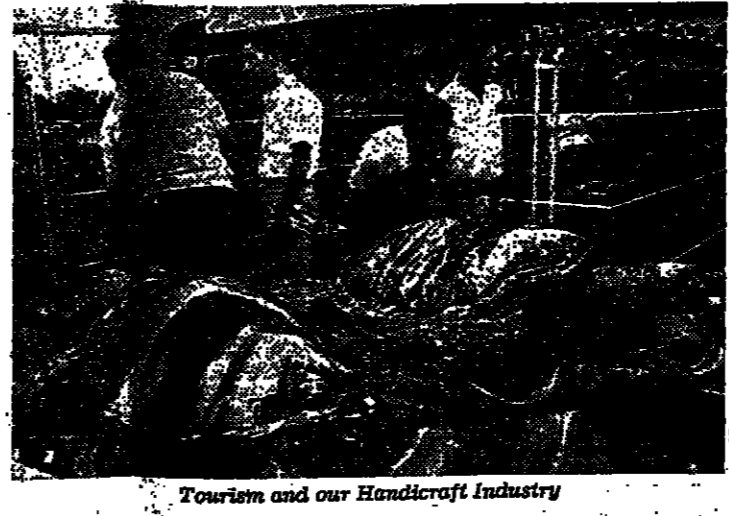
Copra Industry



Sugar Manufacturing



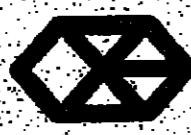
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ASEAN VI

Thailand short of private investment

NINETEEN seventy-six seemed to restore all the traditional strengths of the Thai economy. Agricultural exports soared by 58 per cent in volume terms and 30 per cent in value. The balance of payments ended the year in near equilibrium, preserving the time-honoured 100 per cent official foreign reserve backing of the Thai currency, the baht. Gross national product expanded by 6.5 per cent, while a cautious monetary policy held inflation down to around 5 per cent.

All things pointed towards a revival of that unquestioned faith in the Thai economy that backed the boom of the 1960s. All things, that is, except the one activity which really does require an act of faith—private investment. Throughout the year private investment remained the most disappointing feature in the wider picture. And the new Thanin Administration has set itself on an investment promotion drive to help both foreign and domestic investors in Thailand overcome the combined shock of the past three years of recession and democratic politics.

Agriculture proved once again the resilient mainstay of the Thai economy. The country's diversified agricultural base continued to respond to good weather conditions and strong export demand, despite the political turmoil of three successive governments in one year set apart by one general election and one military coup. Volume picked up remarkably in export sales despite flaccid and even falling world market prices for all of Thailand's agricultural export products except rubber and tapioca.

The volume of rice exports increased during the first three-quarters of 1977 by 87 per cent over a comparable period of the previous year, from 756,000 tonnes to 1,416,000 tonnes. The total value of rice exports however increased by only 35 per cent. The sugar picture is much the same. For a comparable period, sugar exports increased 80 per cent in volume during 1976 over the previous year; export value however improved by no more than 10 per cent. Maize export value actually

declined by 3 per cent in 1976 when the volume of sales increased by over 50 per cent.

Despite whatever other differences the country's three Governments may have had last year, all agreed to push Thai exports hard in the world market. Both the Kukrit and Seni Governments undertook a vigorous export drive for rice to keep domestic paddy prices from plummeting to politically dangerous levels. The Kukrit administration removed export taxes which seriously hampered the competitiveness of Thai export rice. And the Democrat Government under Seni Prambur set out to negotiate Government-to-Government sales throughout the region, principally among Thailand's ASEAN partners, to shore up demand in face of soft external prices. On the whole, the export policies for rice and other commodities were successful.

The less cheery side of the trade picture is the diminished rate of import growth—held down to 11 per cent in 1976—although this helped keep the balance of payments in line, falling import growth reflects lagging demand for industrial raw materials and equipment in face of indifferent investment prospects. Indeed, imports have shown the same disheartening pattern over the past three years. The rapid growth in the import bill of 1974 and 1975 was largely due to oil prices and excessive purchases in industrial inputs.

Recovery

The gradual business recovery since late 1975 has steadily drawn on the excess stock represented by the country's heavy import bill of the previous two years. It was not until the final quarter of 1976 that the majority of companies were thought by the Bank of Thailand to have returned to a normal running stock position.

A visible trade imbalance is nothing new in Thailand; there has been a fairly constant deficit on the trade account since 1953; and the Bank of Thailand expects it to increase to somewhere in the range of U.S.\$1bn.

in 1977, as a result of increases both in oil prices and economic growth.

What is new, and of considerable concern, is the decline in other items on the external account that used to offset the country's permanent trade deficit in the overall balance of payments. Between 1950 and 1958, Thailand received a total of U.S.\$1bn. in foreign loans and grants. In the decade since the U.S. military build up in Vietnam starting in 1965 the American military has spent some U.S.\$1.97bn. here—equivalent to the country's current total official reserves. During the same period direct foreign capital investment was nowhere near the same magnitude; from 1965 to the present it has totalled U.S.\$725m.

All of this represents the financial benefits of Thailand's American alliance during the decade of the Vietnam war. Little of it is left behind since the Americans have withdrawn their troops from mainland South-East Asia, and bankers and planners are wondering whether to cast for a similar growth stimulus. All successive Thai governments—democratic or otherwise—have affirmed Thailand's long standing open invitation to foreign investment. But since the world recession overlapped with Thailand's own three-year spell of turbulent democratic politics after 1973, new foreign capital projects have been dropping away as fast as private domestic investment. From a peak of U.S.\$1.92m. direct private investment from overseas has tumbled to U.S.\$27m. in 1975 and is expected to be down to around U.S.\$2m. in 1976 when figures are revised.

The country's new Prime Minister, Thanin Kraivichien, has read the mandate of last October's military coup as a free hand to reverse the pro-labour and pro-farm policies of the democratic era, establish a tough law-and-order administration and renew some of the confidence in the country's investors traumatised by the chaotic politics of the past.

Among the Government's first moves after last October's coup was a ban on strikes, en-

forced under martial law. Since then the Government has managed to retain labour discipline despite a few minor strikes early in January. But the administration has also made a number of moves to improve investment incentives and iron out many of the wrinkles thrown into the decision-making process since the breakdown of military rule.

The Government recently passed an investment promotion bill designed to improve the investment climate. Businessmen with long experience in Thailand comment that the actual concrete incentives are not very extensive, but nor were they inadequate in past legislation. What, however, the business community finds most promising are sections which deal with problems of red tape. Prime Minister Thanin has upgraded the Board of Investment and made himself chairman. The Board's powers over other government agencies has been extended under the new law and the Chairman can make decisions without Cabinet decisions. Moreover, a "one-stop service centre" has been set up to bring together under one

roof representatives of all the government agencies investors need to deal with to initiate a project.

Despite these developments, however, investors, domestic as well as foreign, have responded with utmost prudence. The Government's quick decision last November to approve a production sharing contract with the offshore tin mining company, Billiton (owned by Royal-Dutch Shell), sparked enthusiastic optimism that foreign investors would return to the stocks fondly remembered in the late 1960s, to breathe

into the Thai economy prospects for 1977 are all other fronts, will be expected to register value as world prices and inflation steady domestically. But Government is relying on the private sector in industry, output and investment in the shadow over an otherwise picture.

Richard I

im. T-shirts, blouses and shirts originally destined for the French market. Indeed there is a debate going on as to the wisdom of establishing similar measures against imports. The view is commonly held, both in the Cabinet and on the shop floor, that "we should buy only from countries willing to take our products."

Meanwhile foreign investment continues to arrive. In last year saw an increase, in terms of commitment of 10 per cent to reach US\$1bn. of new projects. The biggest single project was the Koyo Bearing factory with an investment of \$40m. to produce ball bearings and later sewing machines. Other big investments in Singapore in the past year have come from Nippon Electric, Sumitomo Metal Mining and Kobe Steel.

But it is recognised that new investment will be increasingly difficult in the years ahead, and this is why Mr. Lee Kuan Yew attached such signal importance to finalising the protracted negotiations with Sumitomo for a petrochemical plant on one of the offshore islands. This was accounted for almost three-quarters of the overall growth in manufacturing last year.

Within industry, apart from shipping and aviation, it is electronics which has done best, showing growth of 32 per cent over the six months ended March. One-third of new investments last year were in this booming industry. Electronics was accounted for almost three-quarters of the overall growth in manufacturing last year.

Electronics

Sumitomo petrochemical plant is likely to cost U.S.\$500m. Its participants include not only Sumitomo but ten other major Japanese corporations in the petrochemical business, including Mitsubishi, Showa Denko, Asahi Chemical, Mitsui and Idemitsu. The Government of Singapore will own half of the "core" company, which will operate an ethylene cracker serving various downstream facilities. If work can begin on the project this year, the "core" plant could enter the stream by

1981 in view of the stage of site preparation. In the current government spending concentrated on housing and airport development, the rate of import tobacco, cigarettes and but tax concessions made to promote finance activity. The strategy of it ment to bring a balance factoring industry. The existence has so far well. The only concern is how far investment is encouraged to playment, or how far added should be the ported criterion.

The latest venture Government is in middle-income houses. This has caused an effect in the construction. The Government part insists that it some other govern take over existing co but start completely and thus creates new this is the most important business circles, they be too much wrong underlying strength Singapore economy.

Dick

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Journalist

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Singapore marking time

THE SINGAPORE economy faces a somewhat dull prospect as the continued recession in Western markets affects demand for its exports. Only tourism, with arrivals 14 per cent up in the first quarter, is showing real signs of life, reflected in the round-the-clock activity on the hotel, both in the Cabinet and on the shop floor, that "we should buy only from countries willing to take our products."

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also committed to a large petrochemical plant in Saudi Arabia, and there are plans for other plants in South East Asia, including Indonesia. There are fears of a glut of products and the high cost of the scheme is daunting.

But political pressure at the highest level apparently won the day in the end, and Sumitomo is now regarded as committed, although the only work done on the site so far is by the Government itself in preparation and reclamation. This project will not bring very much new employment, certainly not for a few years, but the Government sees it as helping to maintain morale in a period of thin manufacturing investment from the outside.

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World leaders

Ethiopia: agony of an empire

By JAMES BUXTON in Addis Ababa



Extremes of persuasion

IN THE WEEKS since the Stage Three talks with the TUC collapsed, the Government has shown a determination to resist excessive wage increases which must be most welcome to anyone who feared that on this occasion, as so often in the past, a round of wage inflation would be initiated in the public sector.

However, it is already becoming apparent the Government's policy involves some very difficult questions concerning the private sector. Understandably, in the light of past experience, Ministers are reluctant to pursue a policy which would result in restraint which applied only in the public sector.

This is potentially a dangerous course, which is both economically and constitutionally questionable. Economically the long-term aim of management during this year must be to produce a situation in which the normal processes of wage determination produce rational results.

A new era opens in China

IT IS REASONABLY clear that the XIII Congress of the Chinese Communist Party, just ended, marks the end of an era in Chinese history. It is much less clear what the new era will look like.

In the most conventional terms, it is apparent that Chairman Hua Kuo-feng and his associates have been victorious in their power struggle against the revolutionary radical movement, as exemplified by the so-called Gang of Four and led by the late Chairman Mao's widow.

AN IMMENSE drama is unfolding in the Horn of Africa. Ethiopia, mal convulsed during the past four years by a bloody and total revolution, has in the last few weeks lost control of most of the South East of the country to invading Somali forces.

With only two western correspondents in Addis Ababa now, and only a small amount of confirmed information from either side of the battlefronts, the scale of the fighting and the urgency of the issues at stake sometimes appear to be overlooked in the outside world.

Long standing claim

By capturing Somali tanks and by flying correspondents to Jijiga to see a shot down Somali Mig fighter, Ethiopia has effectively demolished the Somali contention that only the Western Somali Liberation Front is involved in the Ogaden conflict.

When it comes to future settlements, however, greater flexibility is both desirable and inevitable. The Government, which through its monetary and economic management has created conditions which are in any case likely to discourage employers from granting excessive increases, should show greater confidence in its own policies.

MEN AND MATTERS

Dealing with the past

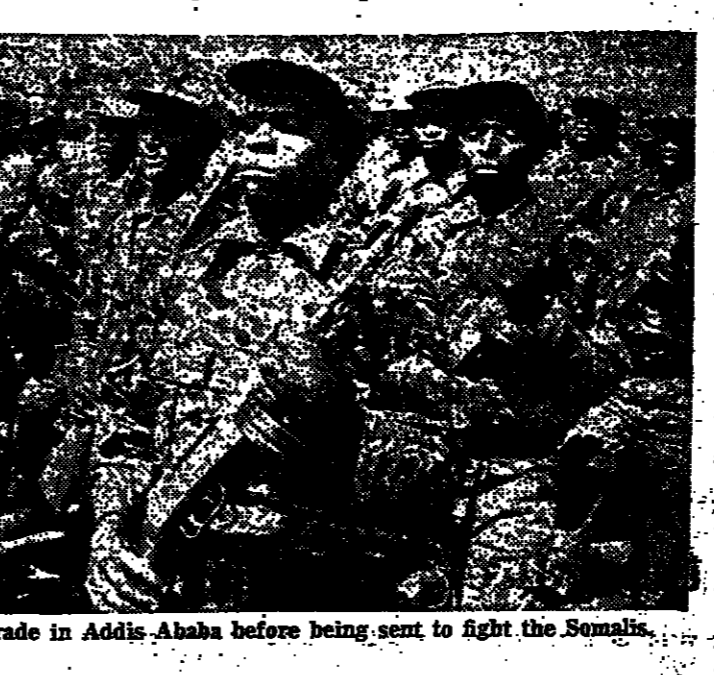
A friendly property company claims to be coming to the archaeological rescue of a Roman-British tribal capital, located at present-day Silchester, between Reading and Basingstoke. The company is putting together a scheme to sell small chunks of the site, dividing the money between itself and a charitable trust which should then have the resources to make a comprehensive job of excavation.

Lilyheath Properties is hoping to attract American interest and draft documents publicising this unusual approach to dealing with the property recession put most of the essential figures in dollars.

The idea is that the 100-acre walled site be sold in 800-acre lots. The price per lot will be \$1,500 (£382). Lilyheath will keep \$1,000 of that, handing over \$500 to the charitable trust until the trust is endowed. If the scheme gets off the ground and is a sell-out, simple figures show the total raised would be \$1.2m, two-thirds of it going to Lilyheath.

Ethiopia faces an invasion by its neighbour with only minimal expressions of support from African countries which have every reason to be thoroughly alarmed; it has to deal with a secessionist rising in Eritrea which is backed by Arab states most of which would be happy for an excuse to drop their support. It is fighting these using armed forces undergoing a transformation from American to Russian equipment, and a militia whose creation was dictated as much by political motives as by military considerations.

Rulers of Ethiopia in the present century have faced two main problems: holding together the peoples of the central highlands, the Tigreans, Amharas and some of the Oromo (known to Amharas as Galla); and retaining control of the outlying territories acquired in the past 100 years by the Emperor Menelik and his eventual successor, Haile Selassie.



The People's Militia on parade in Addis Ababa before being sent to fight the Somalis.

try which would need to be subsidised; which would almost certainly be constantly at war with Ethiopia, and which very probably would become the scene of an Angola style civil war. The well organised Eritrean Popular Liberation Front would probably win it, leaving the conservative Arab states with a Marxist state on the Red Sea—exactly what they set out to avoid.

But Ethiopia ignored signs of moderation from Saudi Arabia, and offers of mediation from Sudan. Instead Addis Ababa poured abuse on the Government in Khartoum, Riyadh, and Cairo. Only in the past few weeks have the Red Sea Arab states been dropped from the list of enemies of the revolution. Ethiopian ire has been concentrated on Syria and

February, deposing an Oromo Brigadier Tefari Bante. The breach with the U.S. undermined Ethiopia's ability to defend itself; the deposition of the Brigadier increased Oromo disaffection, creating an opening for an attack on Ethiopia. The U.S.-equipped Somalia, a co-ordinated by Somalia, has a wider front than had previously appeared possible.

By the time the U.S. advisers left, Ethiopia was already getting Soviet equipment, but switching arrangements in mid-stream is not easy. Somalia, meanwhile, was enraged by the decisions of its most steadfast ally, the Soviet Union, to support its worst enemy, Ethiopia, and probably decided to strike before Ethiopia became too strong.

Supply lines

Somalia needs quick because of its long and tenuous supply lines. Ethiopia has time to consolidate and absorb the military attacks on western and on the Arab states. Yet there is evidence so far that for rapprochement with countries has taken the form of, for example, resumed arms supplies U.S. or for the recent promises made U.S. and Britain to Somalia with defensive

Concrete runway

Even the Ethiopian defensive position based on Jijiga (a tank base) and Dire Dawa (a rear supply base) is threatened by Somali infiltration of the highlands between Dire Dawa and the other two towns, and by the ability of the Somalis to advance across the area north east of Dire Dawa from the safety of Somali territory. Dire Dawa was a prime target because after the fall of Gode deep in the Ogaden it had the only concrete runway remaining to the Ethiopians in the region. However, Ethiopia scored what was probably its first major success of the war last week by repulsing a Somali armoured column which tried to take Dire Dawa.

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Prior questions and Drewidic wisdom

of the right poli- than as tax-payers. Since then me, especially when the EEC has been struggling from obvious what the absurdities of the system which so commended have a genius for of policies which wrong and doing so occasions. Again understanding is com- and this, and are drawn to fallacies; ter the fallacy the they proclaim it, fallacies nearly for the big bat- against the ind- vour of the pro- est groups and consumer, against for fussy bureau- tion, it is time

Language
The language of a man's questions is always interesting. Mr. Prior asked in his incomes policy letter: who would be "allowed" exceptions from the so-called 10 per cent ceiling. The question presupposes either a statutory policy, or re- questions only one believes that to regulate pay by down by the Gov- incorporated in detail ses, and meant to market forces and balance of union

not an isolated first same across same in the late he was making g that we should farm deficiency import levies to ural prices. He this, irrespective ip of the EEC, e savings which d be made. He to think that the farm protection if people experi- top prices rather

its place in the context of a statutory incomes policy, such as that operated by the last Conservative Government." Notifi- cation requirements would, as Mr. Healey so rightly said, "sour the atmosphere for the return to bargaining free from direct control which we all want."

Judgment
Mr. Prior, who wrote his letter before the use of the threats, simply asked for the criteria for using these finan- cial sanctions. He did not realise that once any element of pay flexibility is accepted there can be no "rule of law" in this field. For what is a breach of the guidelines and what is not is then a matter of personal judgment. Mr. Healey has warned that if a company is out of favour with the Govern- ment, it will be made to suffer, which we knew already. For favouritism and its opposite are inherent in the principle of selective intervention which this Government has made the keystone of its industrial policy and for which Mr. Prior has not a word of condemnation.

The Prior brand of Conserva- tion uses the facts of union monopoly power as a (bad) argument for incomes policy. He is obviously still a pay control enthusiast at heart, but at least

he knows that he has lost a battle. The Heathmen on the other hand have learned nothing and forgotten nothing from their experiences of 1974. One of the remaining alarm- ing aspects of Labour Govern- ment policy is the threat in Paragraph 16 of the White Paper to use Government con- tracts and industrial assistance as weapons to secure compli- ance with pay directives. This threat to twist the arm of companies which displease the Government and to misuse public contracts and industrial assistance has been quickly used against a few small firms which should be rich material for any Opposition spokesman with courage and panache and a belief in competitive enter- prise.

Middle way
There are those who regard the Heath-Prior approach as a healthy middle way between free-market economics and Socialist intervention. On the contrary, it is worse than either. If we are to have regulation of incomes, a Labour Government with its instinctive rapport with the unions, and far more likely to be successful. And there is something especially unattrac- tive about the Conservative variety of intervention, which does not even have the partially idealistic roots of the Labour brand, but consists mainly of the worship of power.

Letters to the Editor
Perhaps this deserves further investigation. G. W. Lamb, 2, Basil Street, Knightsbridge, S.W.3.

With Scott to the Pole
From Major Trygve Gran. Sir—I have read the book review "Polar peril" (August 4) with great interest. I was with Robert Scott on his last expedi- tion as "ski expert" and I con- sider it my duty to write a few words.

Overpriced youth
From Mr. R. Musgrave. Sir—The reason for and solu- tion for youth unemployment are surely very simple: the price for the services of youths is too high and they would be more fully employed if the price were marginally lower. The decline in differentials, as between youths and other workers is part of the reason they are over- priced. But there is probably another factor, namely that the quality of the services youths render as compared to those of other workers has if anything declined over the last ten years and for two reasons. Educa- tional standards may have declined. While a majority of youths want a job and the wage that goes with it, the size of the majority that are prepared to accept the disciplines of work may be smaller than ten years ago.

Improve the cities
From Mr. R. Grant. Sir—In the great debate on why British industry is un- attractive to graduates, I find it mildly surprising that the wider environmental issues have not received a mention.

analyze some distorted and ex- treme form of the proposal as if that were the only one being put forward. In the end the official world will itself be latedly adopt just such a dis- torted form of the proposal and then complain that it has not acted as the panacea which it was never supposed to be.

Certain
Phillips and Drew set out a general formula, highlighted in a rectangular box "5 per cent. plus 1 per cent. for each 1 per cent. on the RPI." The cost of living compensation would start in the "month immediately fol- lowing the 5 per cent. settle- ment." This was not an optional formula for individual negotia- tors to consider, but was meant to be endorsed by the TUC Con- ference as a general initiative. It would have been quite reason- able for Dr. Neild to have given his personal view that the U.K. probably could afford an all- round 5 per cent. increase in real wages to make good two years' erosion. But in his actual proposal it appeared as a certain prediction with no suggestion of a break clause.

Merrily burning along
From Mr. H. Harris. Sir—We recently had some work carried out at a holiday park on the south coast and as a result of a new transformer we have to consume £9,000 of excess electricity over a five- year period, commencing Janu- ary 1, 1977.

Fishing for swaps
From the Secretary General, Food and Drink Industries Council. Sir—it is reported that New Zealand is demanding prefer- ential terms for its exports to Japan of beef and dairy prod- ucts, and is offering in return fishing rights in the proposed 200-mile zone around its shores. The New Zealanders deserve every success in their efforts to diversify their outlets of dairy products, which should do well in Japan where the potential market is three times the size of ours.

Gran of the Antarctic
From Mr. A. Buraas. Sir—Underneath the photo of C. P. Snow's review of "Scott's Men" by David Thom- son (August 4) appears the name of "Gran," and your readers might be interested to know that Trygve Gran is still with us, 88 years of age, living outside Grimstad in south Nor- way, his small attractive house facing the Skagerak.

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Society 12. We also and ad- ed a national channel, a broadcasting by the profit charac- plus licence fee. pendent TV independent city) carried showed that they thought an un- in the Heene the BBC to as put to the and Telecom- incorporated Advertisers' attention in 72. We also and ad- ed a national channel, a broadcasting by the profit charac- plus licence fee. pendent TV independent city) carried showed that they thought an un- in the Heene the BBC to as put to the and Telecom- incorporated Advertisers' attention in 72. We also and ad- ed a national channel, a broadcasting by the profit charac- plus licence fee. pendent TV independent city) carried showed that they thought an un- in the Heene the BBC to as put to the and Telecom- incorporated Advertisers' attention in 72.

against self-fulfilling inflation fears. But Dr. Neild went on to claim that his proposal would ensure *inter alia*, an appreciating currency, a £1bn. current payments surplus, economic recovery with 4 per cent growth and a rise of half-a-million in employment.

Phillips and Drew issued a release entitled "A Pay Plan That Will Work" under the banner of "Economic Forecasts Special" by Dr. Paul Neild for publication on August 8. This certainly achieved a great deal of publicity. But the proposal had most of the faults and snags which the Treasury now wrongly believes to be inherent in cost of living guarantees as such.

To-day's Events
Professor Gordon Phillips gives organ recitals, 12.15 and 1.15 p.m., All Hallows by the Tower, Byward Street, E.C.4.
Virion Bamsfeld (piano), St. Olave, Hart Street, E.C.3, 1.05 p.m.
Band of Blues and Royals, St. Paul's Cathedral steps, noon to 2 p.m.
Henry Wood Promenade Con- certs: Roger Norrington conducts Schütz Choir of London, London Baroque Players, and Philip Jones Brass Ensemble in works by G. Gabrieli and Schütz, Westminster Cathedral, 8 p.m.
SPORT
Cricket: Fifth Test, England v. Australia, begins at the Oval.

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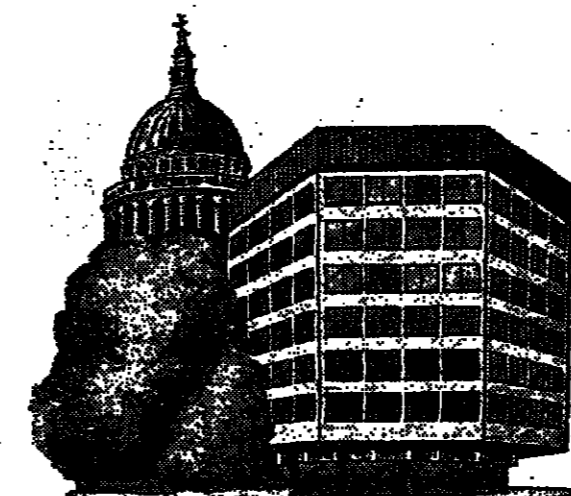
reduce the legal and other pri- meries which provide the basis for that power. So far from being a way of avoiding con- frontation, it is a recipe for it, and a confrontation moreover, which governments are likely to lose.

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From Mr. H. Harris. Sir—We recently had some work carried out at a holiday park on the south coast and as a result of a new transformer we have to consume £9,000 of excess electricity over a five- year period, commencing Janu- ary 1, 1977.

Fishing for swaps
From the Secretary General, Food and Drink Industries Council. Sir—it is reported that New Zealand is demanding prefer- ential terms for its exports to Japan of beef and dairy prod- ucts, and is offering in return fishing rights in the proposed 200-mile zone around its shores. The New Zealanders deserve every success in their efforts to diversify their outlets of dairy products, which should do well in Japan where the potential market is three times the size of ours.

Gran of the Antarctic
From Mr. A. Buraas. Sir—Underneath the photo of C. P. Snow's review of "Scott's Men" by David Thom- son (August 4) appears the name of "Gran," and your readers might be interested to know that Trygve Gran is still with us, 88 years of age, living outside Grimstad in south Nor- way, his small attractive house facing the Skagerak.

Ing and
Society 12. We also and ad- ed a national channel, a broadcasting by the profit charac- plus licence fee. pendent TV independent city) carried showed that they thought an un- in the Heene the BBC to as put to the and Telecom- incorporated Advertisers' attention in 72. We also and ad- ed a national channel, a broadcasting by the profit charac- plus licence fee. pendent TV independent city) carried showed that they thought an un- in the Heene the BBC to as put to the and Telecom- incorporated Advertisers' attention in 72.



If banking is a service business, then it should be on service that you judge a bank.

We've spent 55 years in the City, building an organisation to cater for the toughest judge of all: the financial professional. That's why The First National Bank of Boston's 15 account officers prefer long instead of short-term relationships. Why, on average, they stay with their accounts longer than their counterparts at other banks.

Why we have an exchange specialist based on the dealing floor devoted exclusively to keeping corporate customers abreast of developments.

Why our two hundred people in London aim at the highest standards (if you give the best service, you've got the best bank). And it works.

Our twelve dealers have put us among the top banks in making markets in all major trading currencies. And six out of the top ten companies in the prestigious 'The Times One Thousand' are our customers. Do you put a premium on service too? We look forward to meeting you.

Boston. The bank for financial professionals.

THE FIRST NATIONAL BANK OF BOSTON

Bank of Boston House, 5 Cheapside, London EC2P 2DE (Tel. 01-226 2288). Also at: 31 Lombard Street, Belgrade, London SW6 7JX (Tel. 01-226 954). ARGENTINA, AUSTRALIA, BANGLADESH, BRAZIL, CHINA, HONG KONG, INDIA, ISRAEL, ITALY, JAPAN, KOREA, MALAYSIA, MEXICO, NEW ZEALAND, NORWAY, PANAMA, SINGAPORE, SPAIN, U.K., U.S.A., URUGUAY, VENEZUELA.

هنا من الأصل

Traset expects as growth

ALL sales volume re-increased and real growth was 1 in the first months attained. Growth of recent years was sustained in France and Germany...

Arlington Motor confident

Mr. N. C. Bousden, chairman of Arlington Motor Holdings, said at the AGM that management figures for the first quarter reflect the modest increase in profit over 1976...

FIRST WHITE HOLDINGS LIMITED

Interim Report table with columns for Half year to September 1976, Half year to September 1977, and Year ended 1976. Rows include Profit before tax, Profit after tax, Dividend, etc.

ANNOUNCEMENT NDSRAND GOLD MINING COMPANY LIMITED INTERSECTION OF REEF IN THE ROCK VENTILATION SHAFT...

BIDS AND DEALS

Reed sells Kimberly-Clark interest for £7m.

Reed International has sold its one-third interest in Kimberly-Clark to Kimberly-Clark Corporation of the U.S., which owned the rest of the shares...

ROTORK EXPANDS IN U.S.

Rotork, the West Country manufacturers of electronic valve actuators, has acquired a U.S. manufacturer of machine tools for the furniture industry...

FOUR INVESTMENT TRUSTS TO LIQUIDATE

The Boards of Anglo-Welsh Investment Trust (Continuation), Leopold Joseph Investment Trust, The New Hibernia Investment Trust and Thonet Investment Trust...

RACAL TAKES 5.45% STAKE IN ADWEST

RACAL ELECTRONICS has revealed yet another stake in the U.K. electrical industry. The latest purchase is a 5.45 per cent stake in Adwest Group...

ASTRA DISPOSAL

Astra Industrial Group's subsidiary, Cressall Manufacturing has agreed to dispose of the product line and assets comprising within the Trans-Call division...

JONES STROUD - FOTHERGILL

On August 18 it was announced that Jones Stroud (Holdings) had placed with institutional investors 720,000 of the shares it held in Fothergill and Harvey...

NATWEST BUYS EUROCOM DATA

National Westminster Bank has acquired Eurocom Data (Holdings) which controls a group of European computer output microfilm (COM) service bureaux...

JOKAI/S. HOLL

The offer, made on behalf of Jokai Tea Holdings, for all the Ordinary shares in Stewart Holl Holdings not already owned by Jokai...

REDIFFUSION

Rediffusion (Wales) has agreed to purchase the television rental contracts of Rex Morris (Manufacturers) of Wellfield Road, Cardiff...

HAY'S WHEAR

Proprietors of Hay's Wharf has acquired the capital of Baines in exchange for 551,000 Ordinary shares...

NO PROBES

Secretary of State for Prices and Consumer Protection has decided not to refer the following proposed merger to the Monopolies Commission...



Protea Holdings Limited

(Incorporated in the Republic of South Africa)

Abbreviated Preliminary Year End Report to Shareholders

Table with columns: (Thousands of Rand), Year ended 30th June 1977, Year ended 30th June 1976, and Per cent increase/decrease. Rows include Group Turnover, Profit before tax, Profit after tax, etc.

Business conditions in most areas of Group activity continued to deteriorate during the second half of the financial year. Estimated profits for the second half (10.5 cents) were, however, only slightly down on those announced for the first half (11.5 cents)...

Following a comprehensive review of the Group at the beginning of the financial year it was decided to dispose of those companies which were making losses and which in the medium term did not offer prospects for achieving required rates of return on funds employed...

The losses sustained on disposal or discontinuation of the activities of the above mentioned subsidiaries as well as certain adjustments in respect of the prior year, have resulted in a reduction this year in net worth of 6 cents per share...

The Board has decided to declare an unchanged final dividend of 10 cents per share, which will be paid to shareholders registered at the close of business on 28th August 1977...

JOHANNESBURG, 10th August, 1977. F. G. BEARD AIDAN BEARD Directors



Advertisement for Chemical New York Corporation. Features a large graphic of '\$100,000,000' and '8 1/4% Debentures Due 2002'. Lists various financial institutions as subscribers.

Advertisement for Transamerica. Features a line graph showing 'Record 6 Months' performance from 1976 to 1977. Text describes a 50% increase in operating income per share.

MINING NEWS

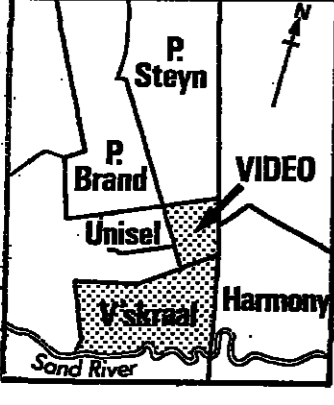
President Steyn's new gold prospect

BY KENNETH MARSTON, MINING EDITOR

FURTHER STEPS are being taken towards the mining by President Steyn of the farm Video which adjoins the Orange Free State gold mine's southern boundary. Now that a mining lease is being granted Steyn is to go ahead with his proposed acquisition of 566,400 shares to the General Mining group's Steyntrust, and its nominees, which owns the Video mineral rights.

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Whether dividends are declared or not is not stated.



High gold values have been obtained on Video during drilling, and the area will be exploited from Steyn's new No. 4 shaft. Mining on Video is expected to begin in 1978, and will extend Steyn's life considerably.

Table with columns: Name, Date, and Details of board meetings for various companies.

zinc-copper prospect at Grandon, Wisconsin, suggest a production rate of 10,000 tons of ore a day from an underground mine and capital costs totalling \$400m.

COMINCO HOLDS 39% STAKE IN BETHLEHEM COPPER. Canada's Cominco has purchased 1.6m shares of Bethlehem Copper Corp. following the bid of \$18 per share for all Bethlehem A and B shares which expire on August 31.

Exxon's \$400m. U.S. prospect. THE U.S. EXXON group says that initial engineering studies of its

already starting to fall in the second half of the year to June, but the company's figures were sustained by the record level of tin prices. The present warning was foreshadowed at the time of the interim statement last March, which itself referred to predictions made in December 1976. The Number Two Dredge was working in virgin ground beneath tailings and produced more than had been originally expected, but at the beginning of this calendar year output began to fall away and the dredge is now in low grade ground.

The Anglo American Corporation group's new Etandards gold mine reports that the Ventador contact reef has been intersected in the rock ventilation shaft at a depth of 2,044 metres and dipping at 22 degrees. The average of 15 sections sampled gave values of 0.42 grams gold per tonne and 0.06 kilograms uranium per tonne over a narrow width of 12 centimetres. The shaft was put down in this low grade area in order to avoid the Chamber of Mines material in the shaft pillar for the life of the mine.

South Africa's gold production showed a further increase last month. The Chamber of Mines announces that the July output amounted to 1,924,088 ounces compared with an adjusted figure of 1,804,363 ounces in June. The total for the past seven months of this year amounts to 12,898,748 ounces, well short of the 13,119,688 ounces produced in the same period of 1976.

Australia's CSR has purchased 95,000 shares in the AAR coal group at \$11.75 each. This lifts CSR's stake in the company to 3.21m shares, or 12.4 per cent.

STERN WARNING BY AYER HITAM. The Malaysian tin producer, Ayer Hitam, has crushed any hopes of a repetition of the high dividends, announced on Tuesday, with a warning from Kuala Lumpur that profits will fall sharply during the current financial year.

BUSINESS AND INVESTMENT OPPORTUNITIES

READERS ARE RECOMMENDED TO TAKE APPROPRIATE PROFESSIONAL ADVICE BEFORE ENTERING INTO COMMITMENT.

SUPERB MODERN HEADQUARTERS/COMMERCIAL BUILDING AVAILABLE 31,750 Sq. Ft. LONDON SW8. Near new Covent Garden market, good access to West End and City, large local workforce if needed, covered loading bay.

INTRA-CENTER BUSINESS OPPORTUNITIES IN THE UNITED ARAB EMIRATES. A specialised comprehensive service designed to limit the time and expense of companies who wish to do business in the United Arab Emirates.

NON-EXECUTIVE DIRECTORS. We are an established firm of financial consultants acting mainly for leading public companies. Our Directors and Senior Management have a wide range of commercial and industrial experience.

Great Japanese Market! We are one of the largest consultants in Japan, undertaking market research, representation, clients, sales promotion, joint venture, import and export.

EXPORT DENMARK. Young Company with good results in selling British products have now the possibility to represent 1 or 2 new companies. We have big well situated showrooms in Copenhagen.

LIMITED COMPANIES 275. Ready-made from 250 including cash, shares, certificates, minute book, registers, etc.

IBM ELECTRIC TYPEWRITERS. Factory refurbished and guaranteed by IBM. Buy, save up to 40% lease 2 years from £37 weekly. Rent from £29 per month.

FOR EXPORT ONLY. We have available 220,000 assorted paperback novels for disposal. Copying approximately 300 different titles. This parcel will be shared in one lot at a very low price.

EQUITY AVAILABLE. In exchange for immediate cash injection in established London cinema business with excellent prospects of high earnings. Principals only.

CHESHAM AMALGAMATIONS & INVESTMENTS LIMITED. Our business is merging your business successfully. 36 CHESHAM PLACE LONDON SW1. 01-235.

MANUFACTURING PLANTS FOR... 1. Electrical Bakelite Fittings. 2. Low and High Speed Thick Saw, Blotter, and Carpentry Saws.

PRIVATE BUILDING COMPANY. Builders of Private Residential dwellings and contra-North Lincolnshire invite offers for acquisition of its share.

FOR SALE CONTRACT BUILDERS. ESTABLISHED SINCE 1925. Operating in East Anglia, Leicestershire, Herefordshire, including 4000 sq. yards.

CONTRACTORS PLANT - ESTABLISHED LONDON AND EAST ANGLIA. For Sale, Turnover in excess of £1m. Business includes three Freehold and long Leasehold on Ground Rent only.

COLOUR LABORATORY FOR SALE. A famous, modern, well established professional London Colour Laboratory for sale.

BANK OR FINANCE HOUSE. With Section 123 Certificate. Required by a successful finance house to assist in future expansion.

MANUFACTURERS' AGENTS REQUIRED TO SELL. MIDLANDS-MADE PLASTIC PROCESSING EQUIPMENT. Commission and expenses, all takes made available.

DEVON ELECTRICAL ENGINEERING COMPANY. offer spare capacity in presswork, injection moulding, and light sub-assembly work.

MONEY MARKET Signal on interest rates

Bank of England Minimum Lending Rate 7 per cent. (since August 12, 1977). A clear indication was given yesterday by the Bank of England of its desire to see short-term interest rates stabilised for at least the rest of this week.

Table showing interest rates for Sterling, Local Authority, Finance, and other categories.

Officially described as very large the lending rate in addition to the Bank buying a large number of Treasury bills all direct and small amounts of local authority bills.

Children join 'stop smoking' campaign

INCREASING numbers of children are writing to the Health Education Council asking for help in persuading their parents to give up smoking.

Taking drudgery from dictionary

A PAPER on computers and their application in dictionary making is to be presented by Mr. Paul Procter, head of the Longman lexicographic team to the 12th international congress of linguists which begins in Vienna on Sunday.

Concrete price deals logged

THE OFFICE of Fair Trading has put more price fixing agreements, unlawfully operated by ready mixed concrete manufacturers, on the Register of Restrictive Practices.

Tourism trophy

THE BRITISH Tourist Authority again offers a Come to Britain award for the year's most outstanding tourist development. It will go to the company, organisation, local authority or individual judged to have introduced the best new service, facility or amenity for overseas visitors this year.

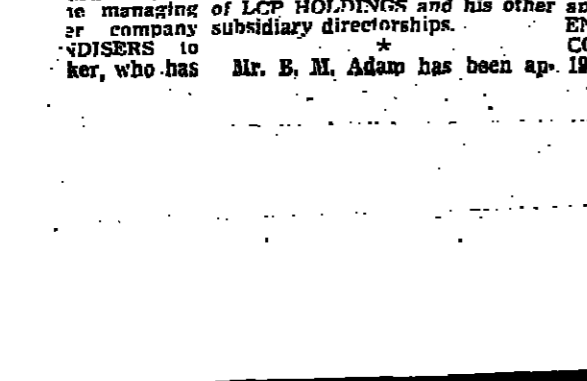
Leipzig Fair German Democratic Republic. 4/11 September 1977. Leipzig Fair offers every visitor up-to-the-minute information, valuable contacts and first-class business opportunities.

Exec post Uni... Mr. D. B. ... Mr. J. ... Mr. ...

Mon Engineering group changes

Simon, who joined... Mr. David Halstock has been appointed to the Board of JON LAING CONSTRUCTION. He was previously a divisional director of its engineering division.

HAM POLAND HOLDINGS... Mr. P. R. Hamilton has been appointed chairman of the Fifth Cleveland Sub-Group of GKN. Mr. D. P. Reynolds, chairman and chief executive officer of Hamilton's Metals Company of America, has joined the Board of the BRITISH ALUMINIUM COMPANY in place of Mr. R. S. Reynolds, who has resigned.



Executive posts at Unigate

Mr. Ben Davies is to become chairman of the milk division of UNIGATE in place of Mr. David Hood, who is to retire. Mr. Hugh Davies has taken over as chairman of the food division from Mr. Jonathan Fry who becomes planning director.

HOME CONTRACTS

W. and C. French wins £7m. opencast work

W. and C. FRENCH (CONSTRUCTION) part of the French Group has received an order from the National Coal Board worth £7m for mining opencast coal at Benbulbin, about 15 miles south east of Avon. The four-year contract is expected to yield some 200,000 tons a year.

Entertainment Guide

OPERA & BALLET: ROYAL FESTIVAL HALL, 825 3191. THEATRES: ADELPHI THEATRE, 01-236 7511. CINEMAS: GAI, 2.00, 5.00, 8.00. CLASSIFIED ADVERTISEMENT RATES: Industrial and Business, 3.75 per line per week.

Bank

مسألة امان الاجل

Comment at Uddeholm reports of losses

Liam Dullforce

UDDEHOLM MANAGEMENT has declined to comment in a local paper yet on the steel and forest conglomerate's 10% loss this year...

ITALIAN COMPANIES

Cambridge Credit capped

Directors and officers of Cambridge Credit reported earnings of \$43.1m on September 30, 1974...

The report details of unexplained changes in accounting procedures which affected reported results...

Tax relief helps

Jennings Industries

JENNINGS INDUSTRIES, Australia's largest home builder, edged profit higher in the year to June 30...

Turnover at GB-Inno shows 14% increase

By Our Own Correspondent

BRUSSELS, August 24. BELGIUM's biggest retailing chain, GB-Inno-BM, has announced first half results showing turnover up 14 per cent...

Cutback at Kastrup

KASTRUP AND Holmegaard Glassworks, a 150-year-old Copenhagen company...

Taiwan textile merger

TAIPEI, Aug. 24. THE PLANNED merger of five Taiwan synthetic-fibre manufacturing companies is being hailed as a breakthrough...

Magneti Marelli

MAGNETI MARELLI Spa, one of Italy's largest makers of electric equipments for the auto industry, will lay off 3,000 workers for one to three months due to declining sales...

SMALL ARMS SPECIALISTS

Belgians into Browning

By David Buchanan in Brussels

FABRIQUE NATIONALE of Belgium, Europe's biggest small arms maker, says its turnover rose 50 per cent in the last eight years...

... Buying Browning was essentially defensive. The ties between FN and Browning date back to the turn of the century...

Indian Government in battle with U.S. computer giant

NEW DELHI, August 24. operation to 40 per cent from 100 per cent...

IBM's main installations here are its 1401 series, which, a Department of Electronics officer says, "We don't consider to be sophisticated"...

Closer links on HK markets

By Philip Bowling

HONG KONG, August 24. HONG KONG'S four stock exchanges, the Hong Kong and the Kowloon, have taken a significant step towards co-operation...

Table with financial data: Weekly net asset value, okyo Pacific Holdings N.V., okyo Pacific Holdings (Seaboard) N.V., VONTOBEL EUROBOB INDICES

Table with financial data: MAGNETI MARELLI, Magneti Marelli

All these securities having been sold, this announcement appears as a matter of record only.

Banque Extérieure d'Algérie advertisement. Includes logo, name of bank, interest rate (9 per cent), and list of correspondent banks and agents.

Standard Brands advertisement. Includes company name, logo, and details of the acquisition of De Erven De Wed. J. Van Nelle N.V. by Pierson, Helderling & Pierson N.V. and N.M. Rothschild & Sons Limited.

rs. Genius

DE JONGE

Genius by Jeffrey London Magazine Eds. 214 pages

now will write next week

ted to genius. You e to get to a writer g the vicissitudes of y of the marriages of sw. Contrary to Joyce, Hemingway does not uch about them as is not simply that the e into a series of pot aphies and literary fairly superficial kind. ture of the enterprise I get tudy door. It was tually that the author e Gide as one of his ince in his extra- rtiage blanc, and his f a close friend w strange blend of self-deception, and at both informed, and shaped his work remarkable degree. I the shortcomings of ul scoutmaster he was. st, a more interesting e Hemingway. e we accept that the n going to take us to of genius, or even is much like about h is not a non- e and these neces- sketches of marriages and frequently

ECONOMIC INDICATORS

introduces a new series of economic indicators, reflecting in official statistics and in the economy in the current period series number of indicators previously covered are introduced, but inevitably—mainly figures for the production and use of commodities—has had to be eliminated. We hope that no unduly inconvenienced by the change.

ACTIVITY—Indices of industrial production, manu- facturing, engineering orders, retail sales volume (1970=100)

Table with columns: Ind prod, Mfg order, Eng order, Ret vol, Ret value, Unemp, Vac. Rows for 1976 and 1977 data.

By market sector: consumer goods, investment goods, durables (materials and fuels); engineering output, furniture, textiles, leather and clothing (1970=100); (1976=100; monthly average).

Table with columns: Cons goods, Invest goods, Total goods, Engr output, Metal mfg, Textile, House starts. Rows for 1976 and 1977 data.

TRADE—Indices of export and import volume (1970=100); exchange reserves.

Table with columns: Expt vol, Impt vol, Vis bal, Curr bal, Oil bal, Terms trade, Resv \$bn. Rows for 1976 and 1977 data.

Money supply M1 and sterling M3, bank advances to the private sector (three months' growth at annual %); credit expansion (Em.); building societies net new credit; all seasonally adjusted. Minimum (end period).

Table with columns: M1, M3, Bank adv %, DCE Em, B.S. inflow, HP lendg, MLR. Rows for 1976 and 1977 data.

Indices of earnings, basic materials and fuels, index of manufactured products (1970=100); retail food prices (1974=100); FT commodity index (July trade-weighted value of sterling (Dec. 1971=100)).

Table with columns: Urns, Basic mats, Whol mfg, RPI, Foods, FT comm, Sig. Rows for 1976 and 1977 data.

* Not seasonally adjusted



Fanny Kemble: actress and women's liberator, subject of a new biography reviewed today

Fanny's first plays

BY RACHEL BILLINGTON

Fanny Kemble by Dorothy Marshall, Weidenfeld and Nicolson, £6.50. 280 pages

they were under the same roof. She described the "typical Southern Gentleman" as a great bully "with in hand driving a gang of lusty (pregnant) women. Perhaps if she had been more often "lusty" herself like most Victorian women she would have had less energy to fight for her beliefs. As it was, she appears to have got away with two pregnancies and two daughters which is a remarkable record for that time and although Dorothy Marshall does not surmise about her sexual needs one wonders whether she was showing her "very bewitching" century lack of interest. As it was, two daughters were never enough to keep her quiet or keep her married either.

Winks over here

BY GEOFFREY MOORE

An American's Guide to Britain by Robin W. Winks. Adam and Charles Black, £6.95. 328 pages

For the reader interested in Anglo-American comparisons this book will be a great joy. Its author, Robin Winks—a former American Cultural Attaché in London, now returned to the Professorship of History at Yale—is not only intelligent and well-informed, he is also funny and down-to-earth.

Winks observes that "despite the Labour Party and socialised medicine and nationalised railways, the British still tend to think in class terms." If that makes Americans angry they "had best stay at home" for Britain "isn't perfect, and it isn't quiet, and it isn't simple Boston plus Beefeaters." Americans must assume that had food, long queues or indifferent service are "all part of the learning experience."

Gentlemanly stuff

BY PETER QUENNELL

Four Fine Gentlemen by Hester Chapman. Constable, £6.50. 301 pages

My old friend, the late Hester Chapman, was a commendably prolific writer. She began with novels, which, before she died, she had published no less than 11, and next embarked on a series of 12 historical biographies, the last being a study of Anne Boleyn that appeared in 1974 and won unexpected praise from Dr. A. L. Rowse, who announced that it had persuaded him that he is not an easy man to persuade—that we have here the essence of the matter. Her third novel, Long Division, is a particularly readable performance. Many novelists have described the relationship of a fickle, far-too-attractive young woman and a plain, steadfast, intelligent young man. But Hester Chapman reversed the situation and depicted a plain, clever young woman married to an unassuming male character.

Spiralling on

BY CHRISTOPHER JOHNSON

Inflation: A Guide To The Crisis In Economics by J. A. Bewley. Penguin Books, £32. 70p

There are two kinds of book on inflation. The first describes an episode of abnormally rapid price rises, say in Weimar Germany or in contemporary Britain; the second analyses the conflicting theories put forward by economists to explain and perhaps cure the disease of inflation. The theories are usually divided into "cost-push" and "demand-pull." Some economists have a neat squaring the circle trick to show that they are, deep down, two aspects of the same thing.

Crimes

Bagley is back with a spy BY WILLIAM WEAVER

The Enemy by Desmond Bagley. Collins, £4.25. 322 pages

Desmond Bagley is a thoroughly professional writer. His prose is spare, clean, direct. When he tries to explain some abstruse technical matter (as writers of thrillers so often do) or fill in a character's background through a narrative flashback, he performs the job skilfully, without allowing his main story to sag or lose impetus. He is also possesses, to an admirable degree, the necessary gift of invention. His stories are charged with suspense, as his characters are informed with humanity.

Sea worthy

BY ALLAN TODD

Beaufort of the Admiralty by Alfred Friendly, Hutchinson, £7.50. 362 pages

The end of the 18th and beginning of the 19th centuries were second only to the Renaissance in producing the most conscious invention and learning combined. Sir Francis Beaufort was just such a one. As a man of action, he served in the Navy and was shipwrecked on the East Indies.



Ex-President Nixon whose links with Howard Hughes are revealed in a book reviewed today

Nixon's buddy

BY WILLIAM D. SHOLTO

The Hughes Papers by Elaine Davenport and Paul Eddy with Mark Huswitz, André Deutsch, £4.95. 256 pages

Before I read this book, I knew about Howard Hughes as that he was an American who had produced films in the 1930s and aircraft a decade later, that he was filthy rich, that he had been a recluse in his last years and that he died in 1976. What I have since discovered is monumentally unflattering and mostly trivial. This is not a biography but a sort of extended American version of a Sunday Times In-sight Team scoop. It reads like Damon Runyon without the humour.

In 1966, Hughes moved to Las Vegas, Nevada, and took over the ninth floor of the Desert Inn hotel. He proceeded to buy up but many other establishments including the gaming houses in the heart of the burgeoning desert city. The Mormon Mob moved in and Frank Sinatra, who could tell his audience in the Sands Hotel: "You're wondering why I don't have a drink in my hand? Howard Hughes bought it."

Crimes

Bagley is back with a spy BY WILLIAM WEAVER

The Enemy by Desmond Bagley. Collins, £4.25. 322 pages

Malcolm is visiting the Ashton, Penelope's rather plain Jane sister is viciously and deliberately attacked. Suddenly, from a sailor, Malcolm has become an investigator, and he finds himself inquiring into the curious past of his father-in-law apparent.

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WALL STREET OVERSEAS MARKETS FOREIGN EXCHANGES

Early losses partially retrieved

BY OUR WALL STREET CORRESPONDENT

STOCKS ON Wall Street partially recovered from initial dullness in light trading this morning. The Dow Jones Industrial Average, down 2.17 at the 11.00 a.m. calculation, picked up to show a net gain of 0.69 at 8.66.25 at...

Closing prices and market reports were not available for this edition.

TUESDAY'S ACTIVE STOCKS

Table with columns for Stock Name, Price, Change, and Volume. Includes stocks like Exxon, Amstar, and General Motors.

Trading volume came to 10.09m. shares, compared with 10.9m. at midday yesterday, while losses outnumbered gains by nearly a two-to-one ratio.

Analysts attributed the dullness to concern over the vitality of the nation's economy. Previously, they had been optimistic about inflation, now it is feared that another recession, possibly in the form of a sharp rise in interest rates, is in the offing.

Semiconductors, prominent PARIS-Stocks made a firm among yesterday's losers in the glamour group, continued to de-

mixed, but other sectors advanced. CIT-Alcatel put on Frs.5 to Frs.235, Dumez. Frs.7.1 to Frs.415, and Michela... Frs.7 to Frs.124.4, but Thomson Brandt shed Frs.3.5 to Frs.102.3.

Among U.S. issues, Ford and IBM lost ground, while Mobil and Petrofina led foreign oils lower. Golds were steady.

BRUSSELS—Lower for choice in quiet trading. Falls included Union Miniere, down Frs.16, Hoboken, Frs.105 lower, and Cockerill, off Frs.6, but UCB gained Frs.20 and Photo Gevaert Frs.42.

U.K. and German stocks were weaker, while Golds were mixed. French issues were steady to firm, and most other foreign issues were little changed.

AMSTERDAM—Easier trend, in dull trading, the continuing negotiations aimed at forming a new Government acted as a restraint on dealings.

Underway, down Fla. led Dutch Internationals lower. Most Trading and Industrial shares fell. Insurances were unchanged to lower. Heineken lost Frs.2. Transporta were mixed.

State Loans, based on lack of foreign buyers in the market may pose problems for the proposed Frs.200m. Bank Voor Westland-Gemeente Loan, Bourse sources said.

GERMANY—Most shares closed higher in generally calm trading, awaiting the decisions of today's Bundesbank council meeting.

Activity centred on chemicals, with Schering gaining DM3.50.

Dollar slumps

Fears over trade figures due to a depressing effect on the U.S. dollar in yesterday's foreign market, despite speculation by a number of central banks, and a general decline was seen throughout the day.

Morgan Guaranty's calculation of its trade weighted average depreciation, using noon rates in New York, widened to 1.12 per cent from 0.91 per cent on Tuesday.

STERLING finished slightly easier against most major currencies with the trade weighted index of the Bank of England producing, slipping to 61.9 from 62.0 previously. This partly reflected the current weakness of the dollar although the pound gained 7 points in that respect to close at \$1.7409.

Elsewhere developments were mainly overshadowed by the weakness of the dollar and most major currencies benefited as a result. Gold improved still an ounce to close at \$144.45. The Krugger Rand finished at \$147.148 (83.86) for domestic delivery. Its premium over the gold content narrowed to 2.55 per cent from 3.03 per cent.

HONG KONG—Slightly firmer in fairly quiet trading. Jardine Matheson rose 30 cents to \$24.40 and Swire Pacific 3 cents to \$23.25, but Hong Kong Land shed 5 cents to \$16.75. Hong Kong Bank and Shek Wo were both unchanged.

JOHANNESBURG—Gold shares rose generally, firmer in the week with higher bullish indications, although some prices eased towards the close on U.S. selling.

Mining Financials were basically unchanged in this trading. Anglo American gained 12 cents to R4.52 in sympathy with De Beers, which rose 16 cents to R5.14 on interim results.

AUSTRALIA—Markets closed generally lower after opening on a slightly firmer note. Uranium continued to ease ahead of the Government announcement on uranium development, with Peninsular closing 10 cents to \$31.30. Peabody widened 10 cents to \$43.50.

Among Oils, Woodside gained 2 cents to 77 cents. Some Industrials were also firmer, with BHP up 10 cents to \$45.50. Banks were steady to easier.

NOTES: Overseas prices shown below exclude a premium. Belgian dividends are after withholding tax. Swiss dividends are after 25 per cent withholding tax. Dividends are after 10 per cent withholding tax. Dividends are after 10 per cent withholding tax.

GOLD MARKET

Table with columns for Gold Bullion, Price, and Change. Includes entries for London, New York, and other markets.

Gold Bullion (London) 1544.145, New York 1544.145, etc.

Gold Coins (London) 1544.145, New York 1544.145, etc.

Gold Bullion (London) 1544.145, New York 1544.145, etc.

CURRENCY RATES

Table with columns for Currency, Rate, and Date. Includes entries for Sterling, Swiss Franc, etc.

STERLING finished slightly easier against most major currencies with the trade weighted index of the Bank of England producing, slipping to 61.9 from 62.0 previously.

Elsewhere developments were mainly overshadowed by the weakness of the dollar and most major currencies benefited as a result.

EXCHANGE CROSS-RATES

Table with columns for City, Rate, and Date. Includes entries for Frankfurt, Paris, London, etc.

U.S. \$ in Montreal 12.9, U.S. \$ in London 81.10-80.00, U.S. \$ in Milan 83.10-80.00.

EURO-CURRENCY INTEREST RATES

Table with columns for Term, Rate, and Location. Includes entries for 1 month, 3 months, 6 months, 1 year.

EURO-FRANCH deposit rates: 3 months 8.50 per cent, 6 months 8.50 per cent, 1 year 8.50 per cent.

FORWARD RATES

Table with columns for Term, Rate, and Location. Includes entries for 1 month, 3 months, 6 months, 1 year.

U.S. \$ in Montreal 12.9, U.S. \$ in London 81.10-80.00, U.S. \$ in Milan 83.10-80.00.

BRUSSELS/LUXEMBOURG

Table with columns for Stock Name, Price, and Change. Includes entries for Alcatel, Dumez, etc.

Alcatel 235, Dumez 7.1, Michela 124.4, etc.

PARIS

Table with columns for Stock Name, Price, and Change. Includes entries for Union Miniere, etc.

Union Miniere 105, Hoboken 105, Cockerill 6, etc.

AMSTERDAM

Table with columns for Stock Name, Price, and Change. Includes entries for Alcatel, etc.

Alcatel 235, Dumez 7.1, Michela 124.4, etc.

SWITZERLAND

Table with columns for Stock Name, Price, and Change. Includes entries for Alcatel, etc.

Alcatel 235, Dumez 7.1, Michela 124.4, etc.

MILAN

Table with columns for Stock Name, Price, and Change. Includes entries for Alcatel, etc.

Alcatel 235, Dumez 7.1, Michela 124.4, etc.

INDICES

Table with columns for Index Name, Value, and Change. Includes entries for Dow Jones, etc.

Industrial 885.25, Chemicals 885.25, etc.

STANDARD AND POORS

Table with columns for Index Name, Value, and Change. Includes entries for Standard & Poors, etc.

Industrial 107.47, Chemicals 107.47, etc.

OVERSEAS SHARE INFORMATION

Table with columns for Stock Name, Price, and Change. Includes entries for various international stocks.

Various international stock prices and changes.

CANADA

Table with columns for Stock Name, Price, and Change. Includes entries for various Canadian stocks.

Various Canadian stock prices and changes.

AMSTERDAM

Table with columns for Stock Name, Price, and Change. Includes entries for various Amsterdam stocks.

Various Amsterdam stock prices and changes.

SWITZERLAND

Table with columns for Stock Name, Price, and Change. Includes entries for various Swiss stocks.

Various Swiss stock prices and changes.

MILAN

Table with columns for Stock Name, Price, and Change. Includes entries for various Italian stocks.

Various Italian stock prices and changes.

VIENNA

Table with columns for Stock Name, Price, and Change. Includes entries for various Austrian stocks.

Various Austrian stock prices and changes.

LOAN

Advertisement for loan services.

SUGAR

Advertisement for sugar products.

MARKET

Advertisement for market services.

OSLO

Advertisement for Oslo services.

JOHANNESBURG

Advertisement for Johannesburg services.

INDUSTRIALS

Advertisement for industrial services.

PARIS

Advertisement for Paris services.

AMSTERDAM

Advertisement for Amsterdam services.

SWITZERLAND

Advertisement for Swiss services.

MILAN

Advertisement for Italian services.

VIENNA

Advertisement for Austrian services.

STOCKHOLM

Advertisement for Swedish services.

WHEAT AND RAW MATERIALS

Asian output lines

By Correspondent
MPUR, August 24
 TIN production for this year fell by 0.28,378 tons compared with 1976, the Mines said.
 The recent national tin price has been called on to take immediate steps to arrest the continuation.
 The tin price has been dropping through the fiscal year. Many are present high prices to switch to tin.
 The tin price has been dropping through the fiscal year. Many are present high prices to switch to tin.
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Wheat-cuts plan decision delayed by Carter

By JUREK MARTIN
WASHINGTON, August 24
 INTENSE DISCUSSIONS between the U.S. Agriculture Department, the White House and other interested Government agencies should produce within the next 24 hours a decision on the recommended cut in U.S. wheat production for the next year.
 Mr. Bob Bergland, U.S. Secretary of Agriculture, was due to hold a Press conference this afternoon to announce a decision on the cut, through the introduction of the "set-aside" system under which farmers are paid for not planting. But the conference was postponed because final word had not been received on President Carter's position.
 Yesterday, Mr. Bergland and his assistants spent 90 minutes with the President, Vice-President Mondale, Budget Director Charles Schultze and Secretary of State Alexander Haig, discussing the various options. There is a sense of immediacy about the problem. American farmers are already beginning to prepare the land for next year.
 Mr. Bergland, it is understood, recommended a 25 per cent cut in production which would be the first since the "set-aside" idea was phased out in 1975. He argued that such a large cut was perfectly safe in view of large domestic and international stocks and the evidence of a bumper current harvest.
 However, he also presented the economic arguments for smaller set-asides (of about 20 per cent). The participants at the meeting, which the Secretary said was a political and international economic factors at stake, and it was agreed that Mr. Starr, President Carter's chief economic adviser, should draw up a memorandum, to be presented to the President today, summarizing the full spectrum of arguments.
 There is a suspicion among informed circles that the President will recommend something less than the full 25 per cent cut. The current issue concerns only wheat. It was agreed that consideration of "set-asides" for maize and feed grains would be delayed until the middle of existing crops in not in doubt.
 Our Commodities Staff writer's Confirmation that world wheat production in 1977 will be the second highest crop on record and be more than adequate to provide for the latest market report by the International Wheat Council yesterday.
 World production is still predicted to reach between 230m. to 400m. tonnes this year, compared with the record output of more than 410m. tonnes in 1976. But the estimate of total closing stocks in the five main export areas at the end of 1977 has been raised to a range of between 85m. to 92m. tonnes—well above the 57m. tonnes stocks at the start of the season.
 The estimate of world wheat production has been lowered to a range of 66m to 68m. tonnes, although this would still be higher than the 1976-77 average of 41m. tonnes.
 China is expected to be the most increased demand, with the United States, Japan and the Soviet Union and India are likely to decline.
 Meanwhile, wheat prices rose sharply in the London market yesterday in active trading, as rain swept the main grain-growing areas again. The September position closed at 225 1/2 pence, a 10 pence advance on the previous day's higher level of 215 1/2 pence.
 On the physical market, wheat prices were up 10 pence to 225 1/2 pence and its receipting was up to 100,000 tonnes.

London scorns Cuba sugar record claim

By OUR COMMODITIES STAFF
LONDON DEALERS yesterday scornfully dismissed claims from Havana that the Cuban super-harvest would top a record 8.5m. tonnes next year. The only influence on the market was there for the export tender at which Brussels cleared 50,000 tonnes of whites for export with a maximum subsidy of 23,659 units of account a tonne.
 The December price for refined sugar on the London Terminal Market closed fractionally up on the day at £17.7 a tonne. The daily raws price was unchanged at £10.8.
 One trader said there was still resentment over the EEC Commission's tactics. Subsidies were considered too high and it was disturbing to see a body such as the Commission in effect leading the decline in the market.
 In Havana, Sr. Rafael Francia, Minister of Agriculture, claimed yesterday that Cuba could produce 8.5m. tonnes of sugar and even increase this to 12m. tonnes by 1980. Best available figures show that Cuba produced 6.278m. tonnes in 1976-77.

Move to save Cornish mackerel

PLANS to prevent a free-for-all in mackerel fishing off the Cornish coast are being prepared by officials at the Ministry of Agriculture.
 When ready, they will be sent to the Minister, Mr. John Silkin, who is at present in Australia, for his approval and signature.
 The need for sensible control of mackerel fishing in the South-West has arisen since the decline in herring—and the present ban on herring fish—caused fishermen from Scottish and other English ports to concentrate in the area.
 Mr. Edgely said he was surprised that the price had reacted so dramatically as he would have expected anyone following the market closely to have been aware of the possibility of such a move.
 Latin American coffee producers meeting in Mexico City agreed yesterday on a proposal for the establishment of a price stabilisation fund within the framework of the International Coffee Organisation.
 Wheels will now be set in motion for the plan to be studied at the ICO executive Board meeting in Nairobi next week. This will be a much sterner test of the proposal, as the market will be required to contribute to the fund.

Bid to head off coffee squeeze

By Richard Mooney
THE COFFEE futures market appeared to have "overreacted" to news that substantial increases have been made in deposit requirements for small open short positions in the September contract. Mr. Brian Edgely vice-chairman of the London Coffee Terminal Market Association, said yesterday.
 The move, which comes into effect on September 1, is seen as an attempt to encourage holders of such positions to accept delivery rather than a serious squeeze develop.
 Concern over the situation has been heightened by awareness that many long-holders of September coffee, notably the Brazilians, are prepared to accept delivery next month rather than liquidate their holdings. This means that short-holders may experience difficulty in closing out their contracts.
 The International Commodity Clearing House would not reveal the amount by which the deposit had been increased, but some market sources suggested that the new rate was around 50 per cent of contract value, against a normal 10 per cent rate. Only deposits on small open short positions are affected.
 The clearing house has already been increased—by an earlier attempt to discourage excessive speculation.
 The news boosted September coffee by £159.5 to £3,025.5 a tonne at yesterday's close and the November position widened by £220 to £527.5 a tonne.
 Mr. Edgely said he was surprised that the price had reacted so dramatically as he would have expected anyone following the market closely to have been aware of the possibility of such a move.
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U.K. POTATO MARKET Acreage quotas cut for EEC 'takeover'

By CHRISTOPHER PARKES
THE POTATO Marketing Board braces itself for a free-for-all, the Ministry of Agriculture says it is waiting for proposals from the EEC Commission in Brussels on what is to happen. A draft common potato regulation produced last year was promptly shelved by the nine Ministers of Agriculture. Ministry officials, however, are still confident that present doubts and fears will be dispelled before farmers come to plant their potatoes next spring.
 Breaking with the normal practice of fixing a quota which allows a surplus to cover unforeseen upsets caused by weather or disease, the Board has aimed in the new season to match the supply of potatoes more precisely with expected demand.
 Since it can have no idea of how many potatoes might be exported or imported, it cannot budget as usual. Growers will have to wait until much later in the year before they get a clearer idea of their fate under EEC controls.
 What is plain—and this is echoed by many British growers—is that the U.K. industry will have to be given some measure of protection if Britain is to remain to any extent self-sufficient in potatoes.
 Even Britain's most efficient growers, lifting 13 to 16 tonnes an acre this year compared with the national average of around 12 tonnes, cannot compete with the best of the Dutch, for instance, who produce yields of 25 tonnes and more.
 At first sight, their only protection against floods of imports is a free market would be the relatively low price earned for potatoes in this country and the U.K. consumers' apparent preference for floury varieties and reluctance to take up the waxy Bintje-types grown across the North Sea. In addition there is the high cost of transporting potatoes, particularly across the Channel.
 This season's British crop has benefited greatly from recent rains and tubers are bulking up well. Sugar beet, too, is recovering after set-backs in July which, according to local experts in East Angles, was even better than July last year.
 Farm prices for potatoes have started to fall again following a brief spell when they rose in response to a reduction in lifting. Prices are at lowest in the South-West, where white varieties are selling for £35 to £45 a tonne. Red types are making £40 to £45.
 In the South East, however, prices for all types are between £50 and £57.
 Shop prices for loose potatoes range between 3p and 6p a lb in England and Wales and 4p and 5p in Scotland.

ing on Jan vies

LIMA, August 24
 A long time before the start of the Peru cause of low stocks. St. Fisheries Minister sources said Peru's c institute and a ries experts from od and Agriculture have urged the to ban factory fish- they years to to build up a suspended, except ers the region, last believed to have unprecedently low es compared with fishing boats are 1000 tonnes of sar and make daily into fishmeal, to far this year has tonnes of gardines.

Australia, NZ eye Soviet meat market

NEW ZEALAND meat exports to the Soviet Union are expected to exceed 70,000 tonnes this season, compared with only 50,000 tonnes last year and 12,000 tonnes in 1970. The Government, too, is under pressure to strike a meat-for-oil barter deal with the Soviet Union, and other Eastern bloc States, which could double Australian beef and mutton shipments to about 130,000 tonnes a year.
 The Soviet Union used to be a spasmodic buyer of New Zealand meat, moving into the market only in shortages in domestic production. Over the past four years, however, it has been a steady buyer of large quantities.
 A contract worth \$215m. signed this month, brings total New Zealand meat sales to Russia to \$455m. during the last four years.
 Meat exporters eyeing the Russian market point to more significant figures. Although the Soviet Union has a large meat industry there has been a substantial increase in consumption and the Soviet citizen now eats more meat than most of the poorer European countries.
 In 1961-65 total meat consumption in the Soviet Union was 99.3 kilos per head, in 1975 it was 69.3 kilos per head.
 The Russians are now buying about 66,000 tonnes of Australian meat a year, with another 60,000 tonnes going to other Eastern bloc countries. Doubling these sales would create a market rivaling Australia's biggest—the U.S.—which at present takes 300,000 tonnes a year.
 Discussion of a barter arrangement with the Soviet Union paying in oil, has been initiated by the Australian Meat Industry Knowledge Centre.
 Mr. Jack O'Toole, assistant federal secretary of the union, says he is confident that a deal could be arranged on the scale envisaged, but none of the parties involved is prepared to disclose the level of contacts already made with the Russians.

COMMODITY MARKET REPORTS AND PRICES

Metals
 London Metal rise in the price which afternoon continued to be suspended, except ers the region, last believed to have unprecedently low es compared with fishing boats are 1000 tonnes of sar and make daily into fishmeal, to far this year has tonnes of gardines.

WHEAT AND BARLEY

| Grade | Yesterday's Close | Change | Business |
|--------|-------------------|--------|----------|
| Wheat | 225 1/2 | +10 | Active |
| Barley | 100 | +2 | Steady |

SOYABEAN MEAL

| Grade | Yesterday's Close | Change | Business |
|---------------|-------------------|--------|----------|
| Soyabean Meal | 110 | +1 | Steady |

PRICE CHANGES

| Commodity | Price | Change |
|-----------|---------|--------|
| Wheat | 225 1/2 | +10 |
| Barley | 100 | +2 |

Commodity

TIN UPDATE III

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 OF THE CONTINENTAL GRAIN COMPANY GROUP

SILVER

| Grade | Price | Change |
|--------|-------|--------|
| Silver | 100 | +5 |

COFFEE

| Grade | Price | Change |
|--------|-------|--------|
| Coffee | 150 | +10 |

U.S. Markets

| Commodity | Price | Change |
|-----------|-------|--------|
| Coffee | 150 | +10 |
| Copper | 100 | +5 |

TECHNIC OF LONDON

graduate diploma
 BANKING FACILITIES
 The City of London Council invites tenders from Banks to act as the tenderer for the City of London Council's banking facilities for the year 1977-78.

COCOA

| Grade | Price | Change |
|-------|-------|--------|
| Cocoa | 150 | +10 |

MEAT/VEGETABLES

| Grade | Price | Change |
|-------|-------|--------|
| Meat | 100 | +5 |

FINANCIAL TIMES

| Commodity | Price | Change |
|-----------|---------|--------|
| Wheat | 225 1/2 | +10 |

AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

Table of Authorised Unit Trusts including Royal Bank Unit Trust, Henderson Administration, Practical Invest. Co. Ltd, and various international and domestic funds.

Table of Offshore and Overseas Funds including Arbutnot Securities (C.I.) Limited, Fidelity Mgmt. & Res. (Cda) Ltd, and various international investment vehicles.

BASE LENDING RATES

Table of Base Lending Rates for various banks including Hill Samuel, C. Hoare & Co., and others, listing rates for different terms.

RISES AND LAGGARDS

Table of Rises and Laggards showing percentage changes for various sectors like TV, Insurance, and other market segments.

INSURANCE, PROPERTY, BONDS

Table of Insurance, Property, and Bonds including Abbey Life Assurance, Equily & Law Life Ass. Soc. Ltd, and various life and property insurance policies.

CLIVE INVESTMENTS LIMITED advertisement featuring investment services, contact information, and a Coral Index table.

INSURANCE BASE RATES table showing rates for Property Growth, Cannon Assurance, and other insurance products.

WARDKIN MACHINE TOOLS THE NO SPECIALS

FT SHARE INFORMATION SERVICE

INDUSTRIALS (Miscel.)

BRITISH FUNDS

Table listing British funds with columns for Short-Term (lives up to five years), Five to Fifteen Years, and Over Fifteen Years.

CANADIANS

Table listing Canadian stocks with columns for Stock, Price, Div, and Yld.

BANKS AND HIRE PURCHASE

Table listing banks and hire purchase companies with columns for Stock, Price, Div, and Yld.

BUILDING INDUSTRY - Continued

Table listing building industry stocks with columns for Stock, Price, Div, and Yld.

CHEMICALS, PLASTICS

Table listing chemicals and plastics stocks with columns for Stock, Price, Div, and Yld.

DRAPERY AND STORES - Continued

Table listing drapery and stores stocks with columns for Stock, Price, Div, and Yld.

CINEMAS, THEATRES AND TV

Table listing cinema, theatre, and TV stocks with columns for Stock, Price, Div, and Yld.

ENGINEERING - Continued

Table listing engineering stocks with columns for Stock, Price, Div, and Yld.

ENGINEERING, MACHINE TOOLS

Table listing engineering and machine tool stocks with columns for Stock, Price, Div, and Yld.

INTERNATIONAL BANK

Table listing international bank stocks with columns for Stock, Price, Div, and Yld.

CORPORATION BONDS

Table listing corporation bonds with columns for Stock, Price, Div, and Yld.

COMMONWEALTH AND AFRICAN BONDS

Table listing Commonwealth and African bonds with columns for Stock, Price, Div, and Yld.

FOREIGN BONDS & RAILS

Table listing foreign bonds and rails with columns for Stock, Price, Div, and Yld.

BEERS, WINES, AND SPIRITS

Table listing beer, wine, and spirit stocks with columns for Stock, Price, Div, and Yld.

BUILDING INDUSTRY, TIMBER AND ROADS

Table listing building industry, timber, and road stocks with columns for Stock, Price, Div, and Yld.

FOOD, GROCERIES, ETC.

Table listing food, grocery, etc. stocks with columns for Stock, Price, Div, and Yld.

DRAPERY AND STORES

Table listing drapery and store stocks with columns for Stock, Price, Div, and Yld.

HOTELS AND CATERERS

Table listing hotel and catering stocks with columns for Stock, Price, Div, and Yld.

Table listing American stocks with columns for Stock, Price, Div, and Yld.

Handwritten signature 'John ...'

STOCKS—Continued

Table of stock prices and movements, including columns for stock names, prices, and changes.

MOTORS, AIRCRAFT TRADES

Table listing prices for various motor and aircraft trade components.

PROPERTY—Continued

Table of property prices and movements, including stock names and prices.

TRUSTS—Continued

Table of trust prices and movements, including stock names and prices.

TRUSTS—Continued

Table of trust prices and movements, including stock names and prices.

OILS

Table of oil prices and movements, including stock names and prices.

OVERSEAS TRADERS

Table of overseas trader prices and movements, including stock names and prices.

INSURANCE

Table of insurance prices and movements.

PROPERTY

Table of property prices and movements.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land prices and movements.

TORACOS

Table of tobacco prices and movements.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land prices and movements.

FAR WEST RAND

Table of far west rand prices and movements.

O.F.S.

Table of O.F.S. prices and movements.

DIAMOND AND PLATINUM

Table of diamond and platinum prices and movements.

FINANCE, LAND, ETC.

Table of finance, land, and other prices and movements.

FINANCE, LAND, ETC.

Table of finance, land, and other prices and movements.

FINANCE, LAND, ETC.

Table of finance, land, and other prices and movements.

FINANCE, LAND, ETC.

Table of finance, land, and other prices and movements.

FINANCE, LAND, ETC.

Table of finance, land, and other prices and movements.

FINANCE, LAND, ETC.

Table of finance, land, and other prices and movements.

NEW JAPAN SECURITIES logo and contact information.

MINES—Continued header and sub-header.

Table of mine prices and movements.

AUSTRALIAN header and sub-header.

Table of Australian stock prices and movements.

TINS header and sub-header.

Table of tin prices and movements.

COOPER header and sub-header.

Table of copper prices and movements.

MISCELLANEOUS header and sub-header.

Table of miscellaneous stock prices and movements.

NOTES header and sub-header.

Text block containing financial notes and market commentary.

TEAS header and sub-header.

Table of tea prices and movements.

INDIA AND BANGLADESH header and sub-header.

Table of India and Bangladesh stock prices and movements.

SRI LANKA header and sub-header.

Table of Sri Lanka stock prices and movements.

AFRICA header and sub-header.

Table of African stock prices and movements.

MINES header and sub-header.

Table of mine prices and movements.

RECENT ISSUES and RIGHTS header.

Text block regarding recent issues and rights of companies.

REGIONAL MARKETS header.

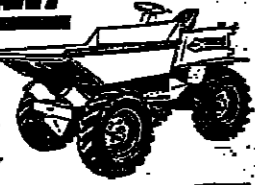
Text block providing regional market information.

OPTIONS header and sub-header.

Table of options prices and movements.

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No Carter plan for Ulster, says U.S.

BY JUREK MARTIN, U.S. EDITOR

CONFUSION deepened today over President Carter's reported plans for an Ulster initiative. Here in Washington there were flat denials that the President had any plans for a statement on Irish affairs, but a clampdown on comment by the Dublin Government did not stifle further speculation about the content of the alleged address.

there have been frequent discussions on Ulster with the State Department but they back Mr. Powell's assertion that nothing has gone as far as the White House so far. Whatever the President's intentions, however, it is true that a group of prominent American politicians with substantial Irish pressure groups in the areas they represent have lately shown renewed interest in the situation in Northern Ireland.

Giles Merritt writes from Dublin: The Irish Government ordered an official clampdown on information relating to President Carter's reported statement. Apparently embarrassed by the likelihood that leaks to newspapers here had pre-empted the U.S. Government's timing of a statement, the Foreign Affairs Department refused to comment.

Washington, August 24. Northern Ireland until October, any U.S. comment must necessarily remain vague. Mr. Carter is therefore expected to endorse the need for a constitutional solution, but will refrain from detailed comment on the province's political future.

BBC staff prepare for long fight over pay

BY NICK GARNETT, LABOUR STAFF

A LONG PERIOD of programme disruption at the BBC could result from yesterday's decision of a large section of the staff to press for wage rises well outside the Government's pay guidelines.

pushing for minimum rises of 30 per cent, with higher increases for some sections of staff to overcome anomalies that have built up during the pay policy period.

Nuclear explosives plant to be shut

BY DAVID FISHLICK, SCIENCE EDITOR

THE GOVERNMENT is to dismantle its only remaining plant devoted to the manufacture of nuclear explosives.

The plant is composed of many thousands of small gaseous diffusion stages arranged in cascades to achieve the high levels—over 90 per cent—of enrichment required for an efficient explosive.

Leyland Cars faces walk-out by 20,000 manual workers

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

LEYLAND CARS will be threatened with the walk-out of 20,000 manual workers at its Longbridge plant today. Shop stewards are likely to recommend strike action in protest at the company's alleged refusal to negotiate their 47 per cent wage claim.

over two-years starting this November could bring increases of between 45 and 110 a week to lower-paid plants, like Longbridge and Cowley.

South Africans deny atomic testing report

BY OUR FOREIGN STAFF

THE SOUTH AFRICAN Atomic Energy Board has denied that it has any connection with any test site in the Kalahari.

surrender" to their supporters at the Cape Town congress, which coincides with the UN conference against apartheid being held in Lagos.

Weather

U.K. TO-DAY SHOWERS, longer periods of rain. Sunny patches in S. and N.E. London, S.E. Cent. S. and S. England, E. Anglia, Midlands. Sunny intervals, showers developing, heavy in places, Max. 15C (64F).

Scotland, N. Ireland. Cloudy showers, or longer outbreaks of rain. Max. 16C (61F). N.E. England, Borders, Edinburgh, Dundee, Aberdeen areas, Highlands, Moray Firth Argyll, N.W. Scotland. Rain, becoming brighter though showery. Max. 15C (59F).

Upturn in wool demand forecast

THE POOR offtake at Australian wool sales this season has been blamed on a "poor response" from Australia's traditional customers in the Northern Hemisphere.

Australian gas

cash flow for development. The present estimates of reserves is 345,000 cubic feet.

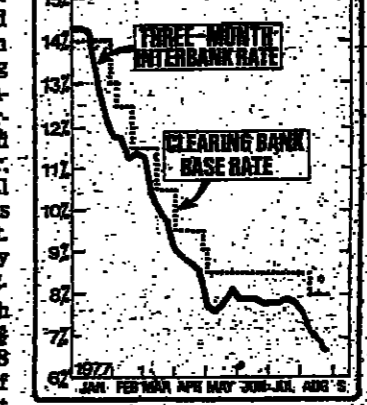
Continued from Page 1

There will be a two-year extension of the present 20 per cent limit on the amount of gas which was due to expire next year. The petroleum provisions of the tax laws will be amended to provide concessional treatment for capital costs of liquefaction plants for natural gas, and the Government is bringing forward proposals that an exploration company can forego its own tax allowances on capital costs in favour of shareholders.

THE LEX COLUMN

Loan stock hurdle for Slater

Index rose 0.1 to 483.8



The Bank of England took advantage of yesterday's exceptionally large shortage in the discount market to give another clear signal on interest rates.

As the gilt-edged market had already resigned itself to an unchanged Minimum Lending Rate for the second week running short-dated issues, nevertheless, managed to move ahead by up to 1/2 of a point.

Slater Walker

To-morrow is a key day for Slater Walker. No doubt shareholders will happily approve the proposed disposal of various assets, including the banking subsidiary.

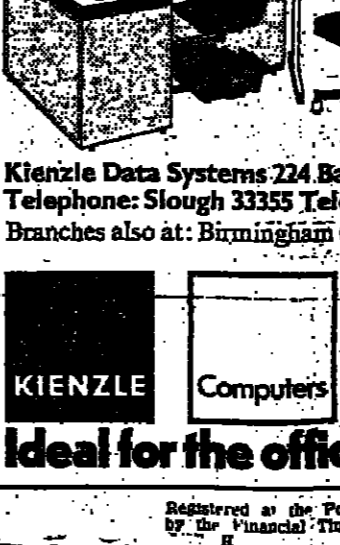
As for the liquidation, it is worth recalling that it is worth recalling of Grendon Trust. Keyser Ullmann claimed that liquidation only alternative if 10 per cent cash offer for cent. Unsecured Loan not accepted. In Morgan Grenfell as Fleming emerged as the stockholders, KU's plight. The term proved by the addition of a new loan stock. Ken did not go into 1.

"We've outgrown magnetic ledger cards"

"Bet you haven't" says KIENZLE

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